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ABSTRACT

Whether and how to regulate family child care has been a continuing policy dilemma facing child care advocates, policymakers, child care administrators, and child care regulators over the last 20 years. Insufficient attention has been given to what regulatory and/or non-regulatory methods might be used to ensure that all children, regardless of whether they receive a federal subsidy or which particular subsidy they receive, are provided with safe and healthy child care. To begin the work necessary to formulate a rational policy framework for regulation-exempt family child care, primarily as it relates to the child care subsidy system, this report compares funding requirements imposed on regulation-exempt family child care with requirements imposed on family child care which is regulated. The report also includes current information on both the child care regulatory and funding systems for all 50 states and the District of Columbia, expert opinions, a survey of resource and referral agencies nationwide, and in-depth research from five states. The report's chapters are: (1) The Utilization and Provision of Regulation-Exempt Family Child Care; (2) The Regulation of Family Child Care: What Is Covered and What Isn't; (3) The Funding of Regulation-Exempt Family Child Care: Requirements and Rates; (4) A Closer Look at Several States; (5) Legal Issues; (6) Strategies to Support Parents; (7) Strategies to Support Providers; and (8) Recommendations. Three appendices present a list of participants, state-by-state regulation tables, and health and safety requirements of case study states. (Author/EV)

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REGULATION-EXEMPT FAMILY CHILD CARE IN THE CONTEXT OF PUBLICLY SUBSIDIZED CHILD CARE: AN EXPLORATORY STUDY

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Looking at material from across the country requires enormous effort, and we were fortunate to have the able assistance of Alisa Fong and, particularly, Jill Duncan. Jill's persistence tracking down material became legendary, and her good humor through it all was deeply appreciated. Nicole Manzo picked up where Jill left off, and her assistance was essential to the completion of this report. We also wish to acknowledge Elisa Lee and Teresa Nauta for their able legal research.

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The production of this report would not have been possible without the able and patient assistance of Elaine Chiodi who revised drafts too numerous to count.

CAVEAT

It is always a challenge to capture current and accurate information on the 50 states and the District of Columbia. We have tried our best to ensure the accuracy and currency of the information presented here. However, our ability to obtain complete and accurate information has been dependent upon our review of statutes, regulations, funding requirements and interviews with regulatory administrators, funding administrators and others in the child care field, which have occurred at various points during 1995-1996.

Additionally, there may have been changes since our data was collected, particularly because these are issues currently under scrutiny in many states. Although we hope there aren't any major inaccuracies, we accept full responsibility for them—and hope you will alert us to them so we can correct them in later versions of this publication or in related material.

San Francisco, California
Summer 1996

DEDICATION

This publication is dedicated to Jeff (especially). It is also dedicated to Carla, Qiron, Susan, Dora, Rita, Mary M., Mary R., Kathleen, Shoshana, Rosemary, Diane, John, Beth, Ben, Joan, Jim, Connie and Eduardo—in other words, our ever-expanding circle of caregivers extraordinaire (regulated and exempt!—including professional caregivers, friends, babysitting coop members, parents of friends of our daughter) who have made my working possible and who have enriched Maya immeasurably; and to Maya herself who shares in the difficulties and the delights of a Mommy who travels a lot for work.

Abby Cohen
San Francisco, California

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INTRODUCTION

Whether and how to regulate family child care has been a continuing policy dilemma facing child care advocates, policymakers, child care administrators and child care regulators over the last 20 years. Currently, 25 states do not mandatorily regulate caregivers unless they are caring for more than three children. Attention to the issue of regulation exempt child care increased dramatically with the passage of the Family Support Act* (FSA) in 1988, and the Child Care and Development Block Grant (CCDBG) and the At-Risk Child Care Program in 1990. These three major pieces of direct federal child care funding incorporated "parental choice" requirements, which mandate that states allow parents to use any care of their choice not operating illegally. Earlier direct federal subsidies had required that federal monies be spent only in regulated settings.

The consequences of this rather dramatic shift have been inconsistent state policies and the surfacing of important legal and policy questions which largely have gone unaddressed. Insufficient attention has been given to what regulatory and/or non-regulatory methods might be used to ensure that *all* children, regardless of whether they receive a federal subsidy or regardless of which particular subsidy they receive, are provided with safe and healthy child care.

There is no doubt that the choices states make in this area will impact many children. In some states, we have estimates that close to half of the children receiving IV-A subsidies are using some form of exempt care. Moreover, with proposals on the table to block grant federal child care subsidies to the states, and states moving rapidly to reconfigure their child care delivery systems regardless of what happens at the federal level, these issues have only grown more critical.

This report is a preliminary attempt to respond to these concerns. Its objective is to begin the work necessary to formulate a rational policy framework for regulation exempt family child care primarily as it relates to the child care subsidy system.

We are hopeful that this report will stimulate increased attention and consideration of these issues and ultimately result in more informed policymaking. We also hope that it will be the beginning of a fruitful dialogue on regulation exempt child care generally and regulation exempt family child care specifically.

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* Also known as IV-A child care, it includes AFDC child care, JOBS child care and Transitional Child Care (TCC).

WHY AND HOW THIS REPORT CAME TO BE

This report is an exploratory study, a first time look at what we know and don't know about regulation-exempt family child care in the context of the publicly subsidized child care system.

A word about terminology. Throughout this report, we refer to ***regulation-exempt family child care***. We do this to be precise about what we are considering. Because of the report's national focus, it is not possible to write in terms of *license-exempt care*, since not all regulatory forms involve licensing. The regulation to which we are referring is the state system in place which sets minimum standards for care, irrespective of whether the home receives funding. (While funding requirements may effectively act as "regulations," we do not consider those to be *regulatory* standards.) We are focusing on family child care, or care offered in a provider's own home which is **not** required to be regulated by the regulatory authority of the state. We have stayed away from using the terms *unregulated* care or *informal* care because these terms can connote both legal and illegal care and generally include all forms of regulation-exempt care, of which there are many. Moreover, the use of the term *informal* may not actually reflect the character of the arrangements used.

This report is unusual because it attempts to pull together information from both the regulatory and funding realms and bring these into focus simultaneously. While all types of regulation-exempt child care merit further study, we selected regulation-exempt family child care for several reasons. First, it was clear that the topic of regulation-exempt care as a whole was simply too large and disparate to study all at once and that it was necessary to tackle a digestible chunk. We opted for regulation-exempt family child care because it had the advantage of being similar to the family child care which is already regulated, as opposed to *in-home care*, which states do not regulate under their regulatory systems. (In-home care is care provided in the home of the child, rather than the home of the caregiver.) This enabled us to compare funding requirements imposed on regulation-exempt family child care with regulatory requirements imposed on family child care which is regulated. It also did not present quite the complexity and tangle of legal issues found in in-home care, which we hope to investigate sometime in the future.

To complete this report, we gathered (with great difficulty!) current information on both the child care regulatory and funding systems for all 50 states and the District of Columbia, convened a meeting of invited experts to discuss the issues, undertook a survey of resource and referral agencies nationwide and conducted more in-depth research in five states.

CHAPTER ONE

THE UTILIZATION AND PROVISION OF REGULATION-EXEMPT FAMILY CHILD CARE

Not surprisingly, relatively little is known about the utilization and provision of regulation-exempt child care. By definition, of course, it is outside of the regulatory scheme and thus largely outside of public oversight. However, we do know that as a general rule, low income families are more likely to rely on relatives and less likely to rely on center-based arrangements than families with more resources.

Interest in learning more about regulation-exempt child care has grown as public subsidies for child care have been made available to purchase it. Despite large numbers of children receiving care in regulation-exempt arrangements however, it is surprising how little is actually known about regulation-exempt care being paid for through these public subsidies.

NATIONAL DATA COLLECTION IS LARGELY UNUSABLE

If it is difficult to get a handle on regulation-exempt care as a whole, it is even more difficult to obtain information specifically about regulation-exempt family child care. This is because data obtained is generally collected without reference to legal definitions. Consequently, some studies report categories of family child care which include both regulated and unregulated care, such as the *Green Book* (the popular name for the *Overview of Entitlement Programs* produced by the House Committee on Ways and Means). Form ACF 115 which is the form used by the federal government to collect data on IV-A child care divides care into center care, family and group day care and in-home care categories. Other studies, such as the National Child Care Survey of 1990 use the following categories: in-home care, relative care and family child care, although in some states, the latter two categories are not always mutually exclusive for regulatory purposes. These are also the categories used for the Bureau of the Census' Survey of Income and Program Participation. Consequently, the regulation-exempt family child care we are interested in tracking either may be included with regulated family child care homes or with relatives (which may or may not be regulation-exempt care); we have no way of teasing the figures for regulation-exempt family child care out of the aggregate data. Moreover, without reference to legal definitions it is difficult to determine when illegal care is combined with legal care.

STATES' DATA IS ALSO SCANTY

In a recent report issued by the Connecticut General Assembly Program Review and Investigations Committee, the State's Department of Social Services estimated that between 80 and 85 percent of families receiving AFDC child care subsidies—representing an average of 6,300 children per month—choose some form of exempt care (not broken out by type of regulation-exempt care, i.e., we don't know how much of this is regulation-exempt family child care) (Connecticut General Assembly, 1996). About half of child care certificate program participants—representing an average of 4,300 children per month—choose exempt care. (Again, the amount of regulation-exempt family child care is not broken out.)

A few states do maintain information on the utilization of regulation-exempt care, broken out by type of regulation-exempt care. For example, in a recent report issued by the Utah Office of Family Support, it was indicated that during the period October through December, 1995, of the 13,359 children served statewide (excluding Logan County which was undergoing a "cash out" pilot study) by IV-A, CCDBG, Social Services Block Grant (SSBG) and the Dependent Care child care funding streams, 3,081 or 23% of the children were served by license-exempt family child care providers (Utah Office of Family Support, 1996). Notably however, the information is not broken out by funding stream.

Other states have information, but the state data does not cover every funding stream. For example, California keeps statistics on utilization of regulation-exempt family child care for its IV-A programs (other than IV-A At Risk), but does not maintain such statistics for its CCDBG or IV-A At Risk programs. According to the latest complete statistics available, for July of 1995, of the total number of 55,273 children receiving child care services through some form of Title IV-A subsidy (except the At Risk program), 10,561 were cared for by relatives in the relatives' homes and 14,745 were cared for in one family caregiver situations (which together constitute the regulation-exempt family child care category in California), thereby accounting for close to half of the care subsidized (California Department of Social Services, 1995). In Illinois, the Department of Public Aid (DPA), which administers IV-A funds, Project Chance (the JOBS program), Transitional Child Care (TCC), At-Risk and Direct Pay (child care for AFDC working parents), used vouchers to serve 18,745 children in regulation-exempt family child care homes of a total of 27,645 children served with vouchers. Thus 67.8% of the vouchered care paid for by DPA went to regulation-exempt family child care homes.

Even when studies reveal information (actual numbers, projections, estimates) on utilization, they rarely include any information on why the choice was selected. For example, in a study conducted in 1990 of Louisiana's potential Project Independence recipients (the state JOBS program), 30% of the respondents said they would prefer unlicensed arrangements, but no information was gathered as to why this was so (Young, *et al*, undated). In a survey of urban payment systems, sources in Philadelphia estimated that only 10% of JOBS clients used unregulated child care, 50% of those on TCC used unregulated care and most of the individuals who were on AFDC and working, who were using the child care disregard, use unregulated care (Families and Work Institute, 1994). No information was forthcoming about why such choices were made nor why the choices varied so greatly between various funding sources; these percentages also appear to be quite different than in other locales, which raises questions as to why this is so.

In the Utah study noted above, a pilot project which involved "cashing out" child care assistance*, there was significantly higher utilization of exempt-care once cashing out began and

* Cashing out involves the State making a determination that a family is income and categorically eligible for a child care subsidy, prospectively determining the amount of care needed and paying the parent the necessary amount. The parent is responsible for paying the provider.

a decline in the utilization of center care (regulated family child care utilization did not change significantly.) The report concluded, based primarily on discussion with agency staff, that clients did not choose exempt-care because it was cheaper, but because before the pilot, agency staff encouraged parents to choose licensed care as the licensed providers were already in the system. "This reduced the staff workload because they did not have to open the exempt provider in the system. With 'cash out,' providers are not opened in the system." Whether or not this is the reason for the increased utilization of regulation-exempt child care, it demonstrates the complexity of the issue and the multiplicity of often neglected factors that need to be examined in determining why certain types of care arrangements are selected and how changes in the system may drive changes in choices of care purchased.

Having more complete information on choices made, *why* choices are made, if these choices vary with funding stream and/or locale, and if they do, how and why they do, would be invaluable to future policymaking.

Why Do Parents Choose Regulation-exempt Family Child Care?

Regulation-exempt family child care, like any form of child care whether regulated or not, is chosen for a variety of reasons. Little formal research has been conducted on the specific reasons why parents choose regulation-exempt family child care, particularly when public subsidies are involved. But generally, several reasons have been identified. These include the desire for care to be provided by a trusted relative or friend with whom one already has an established relationship, at times adding income to the family unit; the desire for care which reflects the families' culture and values; a need for care which is less expensive; the limited availability or total unavailability of regulated care choices, particularly during the hours care is needed; the need for flexibility; and, finally, the lack of awareness of having other choices.

Established Trusting Relationships

Perhaps the most significant reason parents choose regulation-exempt family child care is their prior relationship with the provider. These providers are relatives, friends, neighbors and acquaintances. These prior relationships result in trust and a feeling of comfort and security about their choice of care. In a survey conducted in New Jersey of parents in the REACH/JOBS program using "approved" providers (unregulated care providers receiving public funding), most indicated that they chose approved home care because they want someone they know to care for their children; 43% gave one main reason for choosing approved home care, namely that they wanted to keep the same person who provided care for their children prior to their entry in the welfare to work program (State of New Jersey, 1991).

There is also the flip side: Parents choose these relatives, friends, neighbors and acquaintances because they feel fear and mistrust of "strangers," government, regulations and "institutional care." In instances where funding and relatives are involved, a parent may also be concerned about adding income to the family unit. It is also important to keep in mind that many families who might want to use such individuals to provide care actually do not have such options; a study in Illinois found that 67% of the families in their AFDC sample had no friend or relative, inside or outside their household who could provide child care (Siegel, *et al*, 1991).

Culturally Consonant Care

Parents also choose regulation-exempt family child care because in any given community there may exist a greater supply of regulation-exempt family child care that reflects the parents' culture, values, language, etc. Parents are often looking for care situations that are "culturally authentic," where their home language is spoken, "where their own family and cultural traditions and values would be reflected and honored..." (California Child Care Resource and Referral Network, 1995). Although relatively little is known about what role ethnicity, race, language, religion and culture play in choices of child care, a recent national study indicated that Latino families, in particular, have shown a preference for home-based, informal care over center based programs (Fuller, 1994). Some significant efforts, such as El Comienzo, a project initiated by the California Child Care Resource and Referral Network to recruit and train Spanish-speaking family child care providers (described in greater detail in Chapter Four) have attempted to expand the regulated supply of care which meets these needs, but such efforts still remain rather modest given the dramatic increase in demand.

Care is Less Costly

Regulation-exempt family child care also tends to be less expensive than regulated care.** (For a detailed discussion of rates, see Chapter Three.) Whether parents receive subsidies or not, they are cognizant of the costs. Child care is only one of many major expenditures families face. It has been estimated that a low income family with a child under 5 spends an average of about 23% of its income on child care.

Many public child care subsidies require the family to share in the cost of care, either in the form of a sliding fee scale or a co-payment. Even when parents receive subsidies, they are either pressured or decide for themselves to choose the cheapest form of care, to save money or protect against the need to change caregivers as the availability of subsidies declines or terminates completely.

Perhaps the most dramatic example of the impact of cost on choice can be seen under the new welfare reform law enacted in Wisconsin, W-2. Under the new plan, parts of which will require federal waiver approval before implementation if federal welfare reform is not enacted, family child care has been divided into three rate categories—licensed family child care, which is reimbursed at 100% of the family child care rate; certified family child care, which must comply with certain funding requirements including 15 hours of training, which is reimbursed at 75% of the licensed rate; and provisional family child care which meets lesser funding requirements (no training) and is reimbursed at 50% of the licensed rate. While such a system may be hailed by those seeking recognition for regulation and training, these rates are coupled with a subsidy system which requires parents to pay for care based not only on their income, but also on a percentage of the cost of care. This has profound implications for parental choice—a mother in Milwaukee currently paying a $38 per month co-pay under the percent of income system now has to choose between paying $505 for center care or $232 for provisional care. (Children's Defense Fund, 1996). This system will undoubtedly result in parents being forced to choose

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** This paper is focused on low-income families. For middle- and upper middle-income families, regulation-exempt care could be more expensive in some instances than regulated care.

regulation-exempt care as the only care they can afford. Issues of cost impact all families, but this particular scheme hits the poor eligible for subsidies so hard that it all but eliminates notions of parental choice.

While many factors come into play regarding choice of care, in a study of GAIN participants (California's JOBS program), investigators found that many more parents would choose regulated care when it is financially feasible for them to do so (Meyers, undated). Prior to entering the GAIN program, less than 20 percent of parents using child care placed their children in regulated care. Three months after enrolling in the program, 52 percent were using licensed family child care or centers. In an Illinois study of those on or transitioning from AFDC, reliance on "informal care" was the greatest for those on AFDC not eligible for or not using child care subsidies (Siegel, *et al*, 1991).

Regulated Care Limited or Unavailable

Regulation-exempt family child care may also be selected because regulated care is either too limited or simply unavailable. The circumstances vary, but the most common situations include the lack of regulated care:

- during nonstandard hours;
- for children with disabilities;
- for infants;
- in low income neighborhoods; and
- due to the inadequacy of the payment rate or method of reimbursement.

An ever increasing number of parents need child care during nonstandard hours. Increasing numbers of jobs, particularly those at entry level, where parents receiving child care subsidies will tend to join the labor force, involve work in the evening, work on weekends, work on split or rotating shifts, and overtime hours. Approximately one in five full-time workers worked nonstandard hours in 1991. On a full- or part-time basis, 7.2 million mothers worked nonstandard hours, and these mothers had 11.7 million children under the age of 15. Additionally, mothers in job training programs typically have shifting and complicated schedules.

In a study completed in Illinois in 1991, which examined the child care situation of mothers on AFDC, the researchers found that relatively few child care centers reported they were open or provided care after 6 p.m., and even fewer were open on the weekends (Siegel, *et al*, 1991). While family child care providers were more likely than centers to provide weekend and evening care, a majority still did not provide care at these times. As the study noted, "When centers are not open and family day care providers are not available, working parents turn to relatives, friends and neighbors to care for their children. Six in every ten providers in this third category [relatives, friends and neighbors] provided care to children after 6 p.m. and on weekends."

Parents of children with disabilities also experience difficulties accessing regulated care. While the passage in 1990 of the Americans with Disabilities Act has gradually improved the accessibility and availability of regulated child care programs to children with disabilities, discrimination and regulatory barriers remain. In a national survey conducted by the U.S.

General Accounting Office (GAO), entitled *Welfare to Work: Child Care Assistance Limited; Welfare Reform May Expand Needs*, GAO staff indicated that officials in several states noted the shortage of care for children with special needs. Washington State officials surveyed stated that some children of JOBS participants have multiple special needs which increased child care providers' reluctance to provide care.

This same study found that officials in every state reported a shortage of regulated infant care. A county child care specialist from Michigan quoted in the report above stated that the supply shortage might push participants in welfare programs to use care not regulated by the state.

Regulated care also may be unavailable or quite limited in low income neighborhoods. The Illinois study mentioned above found that demand for care greatly exceeded supply in low income neighborhoods. Among other problems, city codes presented a barrier to a sufficient amount of regulated care. In some communities, the elimination of contracts has diminished the regulated supply.

Finally, choices of regulated care may be severely constrained because of the inadequacy, from the provider's perspective, of reimbursement rates and/or methods of reimbursement. If the rate is too low, providers may refuse to care for a child. In Illinois, for example, the Governor's Work Group on Early Childhood reported to the Governor and the General Assembly that "the child care subsidy program is built on the principle of parental choice. However, rates are so low that almost half of all child care providers in the State will not accept subsidized families—thereby limiting parent choice..." (Day Care Action Council of Illinois, 1996). If the reimbursement system results in excessive delays in reimbursement, involves extensive paperwork, or is otherwise difficult to deal with, providers are also dissuaded from serving children receiving public subsidies.

Flexibility

Beyond the need for care during nonstandard hours, families receiving child care subsidies typically require greater flexibility than regulated providers typically offer. Heavily reliant on public transportation, low income parents may find themselves unable to get to a program before closing time, which can make regulated care impractical or too costly. Similarly, they may not be able to afford to miss work when their child is ill and, in such a situation, many regulated programs are required to exclude the child.

Lack of Information About Choices

Finally, some parents using public subsidies select regulation-exempt care because they are not aware they have other choices. In the study of New Jersey parents mentioned above, 7.5% of the parents did not know they had a choice among types of care available. Many of the child care subsidy/payment agency staff who interact with parents may not be familiar with the various child care arrangements available and, in many instances, parents receive little information, written or otherwise, about the available child care choices. This can vary markedly depending on which agency is administering the subsidy, if staff receive training or are knowledgeable about child care arrangements, and whether parents have meaningful access to comprehensive child care resource and referral services.

Why Individuals Provide Regulation-Exempt Family Child Care

There are various reasons why individuals may be providing regulation-exempt child care. In some states, individuals are regulation-exempt providers simply because regulation is not an option given the small number of children they are caring for (See Chapter Two for more information on when regulation is mandated and when regulation is possible.)

In situations where state regulation is an option, but the provider is not regulated, various possible circumstances exist. Often times, individuals are providing child care because they know or are related to the family in need of care and want to provide the care. In other instances care is provided as a favor. In these cases, regulation may not seem relevant since the provider has no intention of providing care for other children and does not expect to provide the care for very long. Such situations raise concern about quality, not only because of the lack of continuity of care, but because of recent research indicating that "intentionality" is key in the provision of quality care.[***]

It may be that the provider is totally unaware that regulation is a possibility. If s/he is aware of the regulatory system, s/he may be unaware of any advantages regulation could offer, may view regulations as difficult or impossible to meet, or may believe that meeting requirements would result in making less money overall.

Providers may also be reluctant to report income or have connections with the government, or may not have a social security number and/or may be undocumented and not want to be reported or detected. While these are primarily issues for those who are both unregulated and not receiving public subsidies, there may be providers who receive public funding for whom these are also concerns. This will depend largely upon the administrative requirements imposed on regulation-exempt providers who are selected by families with public subsidies.

Satisfaction with Regulation-Exempt Arrangements

Once again, relatively little is known about parents' satisfaction with the regulation-exempt arrangements they make or how these arrangements succeed in meeting their needs. An early study, using information gathered from those on AFDC in 1983 and 1984 in Boston, Denver and Charlotte, found that certain characteristics of care—convenient hours and location, good adult supervision, low child-to-adult ratios, learning opportunities, and the child's happiness—were more important to AFDC mothers than the type of care itself in explaining their satisfaction with care. No particular type of care was superior across all dimensions; each involved tradeoffs. Moreover, it was found that certain dimensions appear differentially important depending on the age of the child, and responses also varied somewhat by locale (Sonenstein, 1991).

[***] Intentional providers are those providers who are committed to caring for children...seek out opportunities to learn more about child care and education, and...seek out the company of other providers to learn from them (Galinsky, *et al*, 1994).

Another report by the same researcher found that of AFDC mothers with children under six, only half were completely satisfied with their child care arrangements. Three-quarters were using a type of child care that was not their first choice. The most satisfied mothers were those whose children were in centers, and the least satisfied were those using non-relatives (in-home care or family child care, both regulated and regulation-exempt) (Sonenstein, 1991a).

A study in Illinois found that parents with informal care arrangements were more likely to have child care problems that prevented them from working than those in formal arrangements (Siegel, *et al*, 1991). The study found that these providers proved unreliable as a result of their quitting when they were offered other employment, became ill or lost interest in child care. A California study did not find that the type of care *per se* influenced the ability of AFDC mothers to succeed in a welfare to work program; however the study did find that the reliability and flexibility of the providers along with child-staff ratios and parents' assessments of the safety of their child care arrangements were predictors of the parents' success in the welfare to work program (Meyers, undated).

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CHAPTER TWO

THE REGULATION OF FAMILY CHILD CARE: WHAT IS COVERED AND WHAT ISN'T?

UNDERSTANDING REGULATION

Regulation establishes minimum standards below which a child care program cannot legally operate. These standards primarily focus on preventing harm to children through health and safety requirements, but may include standards which reflect concerns about promoting optimal child development as well.

The authority for state regulation of child care derives from two distinct legal doctrines. The first doctrine, known as "police power," grants states the power to legislate for the health, morals, safety and welfare of the community. Police power may justify limiting private entities and individuals in a variety of ways. The second doctrine is "parens patriae," which grants states the power to protect children when their parents or guardians are unavailable. While this doctrine was developed for situations when parents were permanently absent, such as foster care, it has been extended to cover situations like child care and school where parents are temporarily absent.

Presently, there are no federal regulatory standards which apply to child care (there *are* currently federal funding requirements, which are discussed in Chapter Three). Each state develops its own regulatory system, determining the form of regulation it will use, and the types of care it will regulate.

Regulation may take several forms and many states employ more than one form of regulation. The most common forms are called licensing and registration; a few states call their form of regulation certification. **Licensing** typically involves monitoring and inspection by the state to ensure compliance with established standards. **Registration**, on the other hand, typically involves self-certification and inspection upon complaint. It may or may not include pre-operational inspections or additional inspections not prompted by complaints. Registration is generally viewed as less stringent than licensing although this may not always be the case. **Certification** is used in just a few states and depending on the state may be equivalent to licensing or registration; the term is not used consistently.

Every state employs a mandatory licensing system for child care *centers*. However, *family child care* may be subject to either licensing, registration or certification and the system may be either mandatory or voluntary.

How Is Family Child Care Currently Regulated in the States?

A fundamental concern of this report is the determination of the threshold for regulating family child care. Family child care is generally defined as care provided by someone other than the parent, **in the care provider's home**. Several states make no exemptions whatsoever, and every person caring for even one child in the provider's home must be regulated. Other states require that regulation begin when a provider cares for children of more than one family; that family may be of any size. About* half of the states begin mandatory regulation by the time there are three or more children in care, but about half the states begin mandatory regulation at four, five, or six children all the way up to thirteen children. Table 1 shows the threshold for regulating care when the form of regulation is mandatory, i.e. at what point regulation is required. As can be seen, about half of the states do not require regulation until four or more children are cared for. Table 2 shows at what point regulation is possible, by combining mandatory thresholds with the thresholds for voluntary regulation *if* voluntary regulation is available in a state.

Confounding the precision with which we can describe these general thresholds for regulation (levels for both mandatory regulation and the availability of voluntary regulation) are five other critical factors. The first factor is whether relatives are counted. Some states count relatives, others exempt relatives from the count, and still others exempt relatives but only up to a certain number. And, in those states defining the exemption for relatives (many do not actually define the relatives covered) there is enormous variation.

The second factor considered by states in determining thresholds is whether or not the children of the provider count. Some states count the provider's own children, some count the children only if they are under a certain age or are not yet in school full-time or some other like measure, some states count some of the children if they exceed a certain number (a partial exemption, in other words) and some states do not count the children of the provider at all (a full exemption).

A third factor which can play a role is the interaction of various exemptions. In some states, providers may avail themselves of all exemptions, but in some states one may not add exemptions together.

The fourth factor is the variability which exists within state borders. While states may define a minimum standard, a few states such as Florida, for example, allow counties to exceed the standard found in state law. As a consequence, the charts which follow may be somewhat misleading since the state threshold for regulation may be set fairly high, but counties with significant numbers of the state's child population may be setting lower (and thereby more stringent) thresholds. Thus, more children may be part of the regulatory system than it appears at first blush.

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* "About" is used because Ohio has three different triggers for mandated regulation.

A final factor is whether or not voluntary regulation is actually used. In our research we found a wide range of variability, but it may be highly misleading to consider voluntary regulation as being meaningful in certain states.

Appendix B (found at end of this report) reviews each state, naming the smallest form of care which is capable of being regulated (whether mandatory or voluntary); defines that form of care; indicates whether relatives are exempt from this form of regulation; if relative exemptions exist, defines "relatives" when that information is available; and indicates whether, and at what levels, care is voluntarily and/or mandatorily regulated.

In thinking about regulation and comparing states, it is also critical to keep in mind that reference to terminology alone can be quite misleading. For example, two states may both require "licensing," but the mechanisms used to enforce the system and the stringency of the actual requirements imposed may vary considerably. Similarly, two states may both require "registration," but the mechanisms used to enforce the system and the stringency of the actual requirements imposed may also vary considerably. Finally, while registration generally is considered less stringent than licensing, the difference between registration and licensing may begin to shrink when registration requirements are relatively strong and there is adequate enforcement while in other states licensing requirements and enforcement are relatively weak. Therefore, it is essential to look more closely at any particular state before evaluating its success in protecting children.

WHEN REGULATION IS REQUIRED

Minimum number of children triggering **mandatory** regulation	States
13	SD*
7	IA*, ID*, LA**, OH
6	AR*, IN**, MS**, ND*, NJ**, VA**
5	AK**, AZ**, MO**, NM**, NV**, TN**
4	IL*, KY**, NE**, NH**, OH**, OR, PA**, RI*, TX, UT*, WI**, WV*
3	GA**, HI*, ME**, MT*, NY**, NC**, WY****
children from 3 families	VT**
children from 2 families	CA**, CO**, MN**, SC**, WA
State regulates all family child care homes	AL, CT, DC, DE, FL_1, KS_2, MA, MD, MI, OH_3, OK

* Including provider's children
** In addition to provider's children
*** If more than three are under two years of age.
**** Includes provider's preschool children.

Notes

1) In Florida, all homes are required to be registered with Dept. of Health and Rehabilitative Service. Licensing varies by county.
2) In Kansas, providers caring for 1-6 children must be registered or licensed. Licensing begins at 7 children.
3) Regulation is required when any public subsidy is received. Unlike other states, these are regulations rather than funding requirements specific to a funding stream and are enforced by the regulatory agency.

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WHEN REGULATION IS POSSIBLE

Minimum number of children potentially triggering regulation when **both** mandatory and voluntary regulation are considered	States
7	OH*
6	IN**
5	AZ**, MO**, NM**, NV**, TN**
4	IL*, PA**, UT*, WI**, WV*, OH***
3	GA**, HI*, ME**, MT*, NY**, WY****
children from two families	CA**, CO**, MN**
children from one or two families	VT**
State mandatorily regulates, or has the potential to regulate through voluntary means, all family child care homes	AK, AL, AR, CT, DC, DE, FL, IA, ID, KS, KY, LA, MA, MD, MI, MS, ND, NC, NE, NH, NJ, OH_3, OK, OR, RI, SC, SD, TX, VA, WA

* Including provider's children
** In addition to provider's children
*** Includes provider's preschool children
**** If more than three under two years of age

Notes

1) In Florida, all homes are required to be registered with Dept. of Health and Rehabilitative Service. Licensing may be required by county ordinance.
2) In Kansas, providers caring for 1-6 children must be registered or licensed. Licensing begins at 7 children.
3) Regulation is required when any public subsidy is received. Unlike other states, these are regulations rather than funding requirements specific to a funding stream and are enforced by the regulatory agency.

As noted in the text, there is wide variability among the states as to whether the availability of voluntary regulation actually results in increased regulation.

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How is Family Child Care Regulated by the Tribes and the Military?

It is useful in getting a feel for the landscape of regulated family child care and regulation-exempt family child care to consider the regulatory schemes established by the Tribes as well as by the Military to fill out the picture.

Tribes

Like the States, the Tribes vary widely in the way they regulate family child care and at what point they begin to regulate family child care, i.e., how they define family child care. As a consequence of their sovereignty, Tribes may regulate family child care in one of three ways: 1) by using existing State regulations, allowing State regulators to extend their purview to regulate care, 2) by adding or subtracting from existing State regulations, or 3) by developing their own requirements. In a study published in 1994, a sample of Tribes receiving the Child Care and Development Block Grant indicated that 58% of the Tribes use a combination of state and Tribal regulation, 30% rely on state regulations only, and 12% use Tribal regulations only (Macro International, 1994). For the purpose of this report however, what is most interesting is that the specially developed Tribal standards were most frequently applied to home based care (as opposed to center care). In other words, Tribes were most likely to create their own regulations when it came to care provided in homes. Also, most Tribes considered care provided by relatives in the relatives' homes to be distinctive from family child care, i.e. different requirements are imposed.

Military

The Air Force requires that family day care homes be "approved." Family day care providers are defined as any "individuals caring for children for more than 10 hours a week on a regular basis."

The United States Marine Corps "certifies" homes. Family child care is defined as a service "conducted in a family housing unit in which care is provided for one or more unrelated children on a recurring basis for more than 10 child care hours per week (care for one child for one hour equals one child care hour).

The Army defines a family child care home as an authorized family housing unit, other than the child's home, in which a family member provides child care to one or more unrelated children for more than 10 child care hours (care for one child for one hour equals one child care hour) per week on a regular basis.

The Navy defines family child care as care provided by private individuals in their government (owned or leased) family housing unit. Care is on a regular basis, full-time or part-time, for more than 10 hours a week. Individuals caring *only* for relatives are not required to be certified; relatives are defined as grandchildren, sisters, brothers, nieces, and nephews.**

** In addition to relatively broad coverage, the actual standards imposed by the Military are far more stringent than standards imposed by the states. The Air Force, for example, requires 24 hours of training annually, and family day care coordinators on base must conduct pre-

Rationales for Coverage

If the basis for regulation is the protection of children from harm when they are outside the care of their parents, many argue that there is no justification for exempting certain settings, even small ones. While the impact of exempting small settings may not be as great in terms of sheer numbers of children placed at risk as would be the case exempting settings with large numbers of children, potential harms are not necessarily mitigated by the small numbers of children in care. The statement on regulation issued by the National Association for the Education of Young Children (NAEYC) and reaffirmed in 1992, declared, "Regulatory systems designed to provide basic protection of children must apply to all programs, without limiting definitions, exemptions or exceptions. Whenever programs are exempted, not covered, or given special treatment, the entire regulatory structure is weakened." The American Academy of Pediatrics (AAP)/American Public Health Association (APHA) standards exclude only the child's closest relatives from regulatory requirements: parents, legal guardians, grandparents, siblings, aunts or uncles (AAP/APHA, 1992). A recent study of regulation in Hawaii noted that "Hawaii exempts a broader spectrum of relatives from licensure than the national standards [APHA] do. This reflects a reliance on extended family networks in caring for children, which is customary in Hawaiian culture and seems appropriate for our state" (Vast, 1994). This same report however, recommended expansion of coverage for nonrelatives because of equity concerns. The report noted:

> [Early childhood] practitioners and regulators alike are concerned that children in unregulated programs are put at a disadvantage because they are not provided equal protection through minimum standards, and may be subject to inadequate and unsafe care. In addition, some [early childhood] practitioners believe that exempt providers have an unfair advantage. For a few, the sense of inequity breeds a disrespect for the law and rules that apply only to some.

This latter position is similar to that taken by regulatory authority Norris Class who has argued that exemptions from licensing based on numbers of children served increases enforcement problems with regulated providers because of resentment about being treated inequitably (Class, 1980).

Rationales for Exemption from Regulation

Each state determines its own exemptions from its regulatory scheme. Many states include exemptions for sporadic care, care by public agencies, and care by relatives. Some states exempt care by religious organizations. In the case of regulation-exempt family child care, there is relatively little discussion in the literature as to the justifications or rationales for this exemption.

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inspections and make *monthly* unannounced visits to each home to conduct health inspections. Annually, at least 10% of the homes are given a comprehensive inspection.

The reasons generally cited for exempting forms of family child care—that is, care provided by someone other than the parent in the provider's home—focus either on issues of administrative convenience and cost, or when relatives are considered, issues of infringement upon family autonomy. With respect to the first category, some of the reasons given include: the small numbers of children cared for ("de minimis" impact), the greater the number of sites which regulators would have to be concerned with and the consequent cost of regulating them, the lack of knowledge on the part of providers that such small operations require regulation (hence the term given by some of "informal care"), the lack of visibility of programs making regulatory enforcement potentially more difficult and the rapid turnover of such operations.

With respect to the second category, regulating relatives, regulators cite the privacy and autonomy of families in making decisions which intimately relate to the rearing of their children. Legal decisions in this country have long recognized a right—though never absolute—for individuals to make personal decisions relating to family relationships, child rearing and education without unjustified government interference. Striking a balance between the interests of family autonomy and the protection of children is difficult in and of itself. When relatives are involved, it is even harder since one must also define what constitutes the parameters of "family."

Why is Regulation So Important?

If one is concerned about the health, safety and optimal development of children in child care, regulation is an important, if not essential, component to assure this. Regulation helps promote the conditions that are necessary but not sufficient for quality settings by requiring that certain standards be met; these standards relate to those areas of child care where, without compliance, damage to children could occur. Increasing numbers of studies have looked at both the importance of regulation *per se* and have identified specific features of quality child care which are amenable to regulation.

In *The Study of Children in Family Child Care and Relative Care* (Galinsky, *et al*, 1994), regulated providers were more likely to be rated as sensitive, and were observed to be more responsive. They had higher scores for overall quality than nonregulated or relative caregivers.*** This study found that regulated providers were more likely to have participated in family child care training than nonregulated providers, though they did not differ on the amount of formal education or years or experience in the field. As Modigliani has pointed out, "...[R]egulation does promote quality when it brings providers to training," (Modigliani, 1994) and training of family child care providers, even relatively few hours, has been shown to increase quality care (Galinsky, *et al*, 1995).

*** Although this study found larger family day care homes to have higher global quality scores than smaller ones, these large homes were also more likely to have more training and be regulated.

Monitoring the care which is offered is often difficult for parents because requirements are often difficult to observe and evaluate. Most parents have little time to spend initially checking out various child care programs or staying for a lengthy period of time when their children first begin child care. And, currently, most parents, including those accessing public subsidies, lack access to information (except those fortunate enough to access a child care resource and referral agency and other similar resources) about how to assess safety and quality in child care. The impact of this inability to monitor care hits low income parents most severely, particularly those in mandatory work/training programs, since they may have to make their child care arrangements and report to work within days. The issue of monitoring remains important once children have begun care. Few parents are able to spend more than a few minutes at pick up and drop off. For all of these reasons, the capacity for monitoring by the regulatory agency takes on heightened importance.

State licensing staff and providers find on-site monitoring visits to be the most effective means of ensuring compliance with requirements. In the last several years, regulators have made significant strides in developing weighted indicator checklists which allow them to save time and money by limiting their inspections to those regulations which predict compliance with the full set of child care regulations (Griffin, *et al*, undated).

It is important to reiterate that regulations establish *minimum* standards and do not of themselves assure quality (no single tool or even multiple tools could *guarantee* quality). Regulations are necessary but not sufficient; other approaches to improving quality include: training of caregivers above and beyond that which is required through regulation, and accreditation of child care facilities through compliance with voluntary professional standards.

Trends in Regulation

During the last several years, there have been increased calls for the expansion of regulatory coverage for family child care (Galinsky, *et al*, 1994, and Gormley, 1995). In the last few years, two states have expanded coverage of family child care. These include Virginia and Oregon which both lowered their thresholds for regulation.

Interestingly enough, back in 1968, Virginia defined family day care as any home providing care for one or more unrelated children; but over the years, the number of children triggering regulation moved steadily upwards. However, starting in July of 1996, licensing will be required beginning at six children (rather than nine), and the new law only allows a relative exemption for grandchildren of the provider. When the most recent changes were enacted, the smaller providers expressed concern over the lowering of the threshold for mandatory regulation. The Department of Social Services expressed concern that licensing staff would be overburdened with the increased workload; however, the number of DSS staff size is no longer frozen, as it was.

Oregon's changes in coverage were enacted in 1994. Coverage was lowered to three children; this was the number at which the Legislature could reach agreement. Many legislators took the

view that caring for small numbers of children was a private matter and it was inappropriate for government to interfere. Advocates successfully argued that the law would not apply to relatives and close friends, but only to those entering the marketplace.

In contrast, Wyoming recently enacted an exemption for care provided to children of one family which had not existed previously, as did Washington state. While this report was being prepared, Nebraska considered a bill which would have increased the threshold for regulation from four up to six. At the hearing on the bill child care providers and advocates spoke in opposition, with no one testifying in support. The author ultimately agreed that the safety of children should not be jeopardized and the bill was withdrawn.

While only a few states have made changes in *coverage* recently, a number of states have experienced budget decreases and staff cuts. This has resulted in reductions in on-site monitoring. A 1992 GAO report, *Child Care: States Face Difficulties Enforcing Standards and Promoting Quality*, noted that many states face difficulties protecting children from care that does not meet minimum health and safety standards.

Pressure to shrink regulatory coverage could increase as state welfare reform efforts get underway. Since all the welfare reform proposals now being discussed would significantly increase the need for child care, there is expected to be intense pressure to increase supply. Advocates fear that this may increase pressure on states to deregulate family child care completely, to alter coverage so that more family child care is exempted from regulation and/or to cut back on the standards which are imposed on regulated family child care. All of these scenarios could have a devastating impact on the quality of child care available to all families.

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CHAPTER THREE

THE FUNDING OF REGULATION-EXEMPT FAMILY CHILD CARE: REQUIREMENTS AND RATES

FUNDING REQUIREMENTS IMPOSED ON REGULATION-EXEMPT FAMILY CHILD CARE

By definition, regulation-exempt family child care is not subject to any regulatory requirements. However, when states decide to purchase such care, they do impose funding requirements as a condition of the receipt of public monies. Funding requirements vary considerably from state to state and even within states, since in some states counties may be allowed to impose more stringent funding requirements than those imposed at the state level. These funding conditions are largely based upon certain requirements found in the federal legislation which established the federal child care subsidies described below. The focus of this section is on funding requirements which address health and safety issues; only minor attention is paid to funding requirements which are imposed for administrative purposes.

Family Support Act Requirements

The enactment of the Family Support Act (FSA) in 1988 marked the first time that direct federal child care subsidies were widely available to purchase regulation-exempt child care. The original regulations issued under FSA specified that the state IV-A agency had to allow payment for self-arranged care and required the establishment of rates for in-home care (care provided in the *child's* home). The market rate categories did not distinguish between regulated family child care and regulation-exempt family child care. The regulations specified that federal financial participation (FFP) was only available to the states on the condition that whatever care was offered must allow for parental access and that the care had to meet applicable standards of state and local law, and/or Tribal law, where applicable. These were the only health and safety requirements imposed.

Child Care and Development Block Grant Requirements

The Child Care and Development Block Grant (CCDBG) established through the Omnibus Budget Reconciliation Act of 1990, made funding available for child care services to low income families with a parent who is working or attending a training or educational program. It also provided funding to improve the availability and quality of child care.

CCDBG made very clear that parents must be able to choose regulated or unregulated (but legal) care. CCDBG regulations required that states provide assurances that: 1) parents would be guaranteed unlimited access to both their children and the child care provider during the hours children are in care; 2) the state would maintain a record of substantiated parental complaints and make that information available to parents upon request; 3) consumer education information about child care services would be available to parents and the general public (including applicable licensing and regulatory requirements, complaint procedures, and policies and practices concerning child care services within the state); 4) providers must meet existing applicable state or local licensing or regulatory requirements and that those not subject to such

requirements must register with the state for the purpose of making payment and dispensing information, and; 5) that all care, with the optional exception of grandparents, aunts and uncles, must also meet health and safety requirements in three specified areas.

These specified areas are: 1) the prevention and control of infectious diseases (including immunization); 2) building and physical premises safety; and 3) minimum health and safety training appropriate to the provider setting.* Importantly, the regulations do not define particular standards to be applied, and the regulations indicate that a state could comply by simply furnishing information about the concerns addressed within the three categories, leaving minimum standards for states to decide. The preamble to the final rules also indicated that, "Standards to be met by currently exempt providers may differ from those to be met by non-exempt providers."

The federal regulations noted that additional requirements could be imposed on CCDBG providers, but that any additional requirements should not eliminate a type of provider nor significantly restrict the ability of a type of provider to participate in the program. At the time the regulations were initially issued, a rather onerous interpretation of "significantly restrict" placed substantial pressure on states to severely limit the conditions they imposed on exempt providers receiving subsidies, although some states still chose to impose relatively substantial funding requirements. No state has lost FFP based upon the funding requirements it has imposed, regardless of the stringency of these requirements.

At Risk Child Care Program

1990 also marked the establishment of the IV-A At Risk Child Care Program which made funding available for low income working families in need of such care and at risk of becoming eligible for AFDC. When the regulations for the At Risk program were first proposed, they conformed to FSA requirements so that child care had to meet applicable standards of state and local law, and/or Tribal law. When the final regulations were promulgated, cognizant of the CCDBG requirements, the At Risk program added a provision that the states had the option to deny payment for care which failed to meet requirements designed to protect the health and safety of children that are applicable to child care providers under other federal or state programs. Like CCDBG, these requirements were in the areas of prevention and control of infectious diseases; the safety of building and physical premises; and minimum health and safety training appropriate to the provider setting. These requirements, however, were not to result in the exclusion of categories of providers and had to be requirements generally applicable to other subsidized programs. Additionally, regulation-exempt providers, as in CCDBG, were required to register to receive payment. Exempted from the registration requirement were "members of the family of the individual" a term to be further defined by the States. All types of care were required to ensure parental access.

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* Current federal welfare reform proposals would extend these CCDBG health and safety requirements to all the federal funding streams.

While efforts have been made to bring some consistency to the funding requirements imposed on regulation-exempt providers receiving public subsidies from the various child care funding streams, a number of states continue to maintain different funding requirements depending upon whether the funding flows from the CCDBG or from the IV-A side. (See the CDF publication *Protecting Our Children: State and Federal Policies for Exempt Child Care Settings* for a more detailed look at the differences in requirements between funding streams.) Advocates have struggled to achieve consistency at whatever "higher" level exists rather than having uniformity gained by setting the requirements at the lowest common denominator.

How Are Funding Requirements Imposed?

Some states which do not mandatorily regulate family child care at a particular level, require that providers "voluntarily" enter the regulatory system to become eligible to receive funding. This alleviates the need to create new or different funding requirements for much of the care that is exempt from regulation; depending on what it is possible to regulate, these states may still need to create funding standards for relatives and in-home care options.

To become eligible to receive public subsidies, most states, however, create specific funding requirements which are applied to regulation-exempt family child care. Most states issue these requirements in a checklist or form; the vast majority of states ask that the provider self-certify compliance. Although several of the states impose an inspection requirement, most rely strictly on self-certification of providers or parents, or both.

A number of states impose funding "requirements" which are very general and unenforceable; while providers may self-certify that the "requirement" has been met, it is highly questionable whether these assurances are actually meaningful requirements. For example, one state requires non-licensed providers to "assure that [they] have an interest in and knowledge of children and a concern for their proper care and well being." California has divided its form to reflect which provisions are informational and which provisions are required. In many states, it is not clear which "requirements" may or must result in a plan of correction or denial or withdrawal of the subsidy. Nor is it clear from the forms in some states whether the right to appeal the decision is the parent's or the provider's. By contrast, Wisconsin, Arizona and Indiana are states which make it clear when funding can be withheld.

Most states that request information or self-certification from the provider without inspection reserve the right to request proof of all information; it has been difficult to determine how frequently states actually follow up to request such information either upon application or once care has commenced.

A Review of Actual Funding Requirements

As is the case with family child care regulations, actual funding requirements vary widely from state to state, but many incorporate similar provisions. Some are exceedingly minimal. In California, regulation-exempt family child care providers receiving Transitional Child Care

(TCC) subsidies must be 18, certify that they are exempt from licensing and be cleared through TrustLine (a criminal records and child abuse index check). By contrast, Arizona and New Jersey require compliance with a greater number of health and safety standards. A pattern emerges of states imposing more stringent funding requirements when regulation does not begin at low thresholds; this may be due to consideration of the larger numbers of children who are exempt from regulatory coverage.

The states also vary in their treatment of relatives. Some states, such as Georgia, require that relatives meet the same requirements as other unregulated providers. Other states require some, but not all, of the standards required of unregulated providers. For example, in Arizona, relatives must meet established relationship definitions, be fingerprinted, sign a contract and meet certain health and safety standards. However, unlike other certified providers, there is no requirement for monitoring, for Child Protective Service (CPS) checks, home inspections, medical clearances or annual training requirements. Finally, in some states, relatives may not be required to meet any health and safety standards. Some states do, however, provide these relatives with either information or a list of standards, but do not require compliance with them. Examples of such states include Alabama and Maryland.

The following sections review actual funding requirements. First, a list of some of the more common basic requirements is given. Second, some significant types of requirements are explored in greater depth.

Common Basic Requirements

The most common basic requirements imposed on regulation-exempt family child care providers are:

- evidence of provider good health
- 18 years of age or older
- criminal records checks (may include family members as well)
- child abuse registry checks (may include family members as well)
- working telephone, or access to one
- emergency phone numbers including how to reach parent
- emergency medical authorization
- fire extinguisher
- smoke alarm

Funding Requirements of Particular Interest

Training

Very few states require any training although training has been shown to be highly correlated to the quality of care provided. Many states simply provide written material or inform providers where such material is available. The following is a sampling of different states' approaches:

- Rhode Island distributes a "Guide to Child Care Provision for Uncertified Providers," which is a listing of child safety recommendations.
- Minnesota requires that information be distributed about immunization, nutrition, child protection, health and safety and child development; some counties require that training be given.
- Montana requires an orientation training covering health and safety issues within 6 months of receiving subsidies.
- Tennessee requires one three-hour orientation, which includes information on health and safety and appropriate activities with children.
- Idaho requires CPR and First Aid training.
- Arizona requires six clock hours of training, including information on guidance and discipline, child abuse reporting, the control and prevention of illness, nutrition, communication with families, developmentally appropriate practices, and procedures pertaining to the subsidy program. (This is not required of relatives.)
- Georgia requires eight clock hours of training. Both Georgia and Arizona, recognizing the difficulties individuals may experience in obtaining training, allow extensions so that caregivers may receive payments before training has been completed.
- Wisconsin has required that regulation-exempt providers receive 15 hours of county agency approved child care training within six months after provisional certification and prior to regular certification; a county may also require up to five additional hours of annual continuing education. Wisconsin's new welfare reform law has created a new category of regulation-exempt family child care, "provisionally certified" providers, which will require no training.

Inspections

Most funding agencies do not inspect regulation-exempt family child care homes for compliance with funding requirements. They simply require self-certification attesting to compliance. However, several states do require inspections and others allow for inspections.

New Jersey inspects homes to determine if they can be approved. Arizona requires certified providers to be inspected twice each year with one visit unannounced, while Georgia monitors homes every six months. In Nevada the funding agency is allowed to visit providers receiving subsidies from CCDBG and IV-A At Risk within 30 days after registration. In Nebraska, funding agencies require that providers sign a statement agreeing to allow the Department of Social Services to visit their homes, announced or unannounced, to determine compliance with requirements. In some states, the inspection required is to be done by the fire marshal and not the funding agency itself.

Responding to Parental Complaints

While the CCDBG requires that states maintain records of substantiated parental complaints, states have generally experienced difficulty in developing an approach to providers of substandard care, other than stopping payment. The farthest most have gone is to refer a child abuse complaint to law enforcement/child protective services and to refer a complaint about possible violation of the child care regulatory law (i.e., overcapacity, bringing the provider within the scope of regulation) to the regulatory agency.

Minnesota is one of the few states which has addressed the issue of parental complaints against legal non-licensed caregivers in some detail. It has enacted a statute which requires that within 24 hours of receiving a parental complaint concerning the health or safety of children under the care of a legal non-licensed caregiver, a county must relay the complaint to: 1) the county's child protection agency if the parental complaint alleges child maltreatment; 2) the county's public health agency if the parental complaint alleges a danger to public health due to communicable disease, unsafe water supply, sewage or waste disposal, or building structures; 3) local law enforcement if the parental complaint alleges criminal activity that may endanger the health and safety of children in care; or other agencies with jurisdiction to investigate complaints relating to the health and safety of the child. If the complaint is substantiated, funding is terminated, a record of the complaint is kept for three years and information about the substantiated complaints are to be released to the public upon request. Interestingly, the statute gives no additional jurisdiction to the child care funding administration itself to follow up on complaints regarding regulation-exempt child care. It is difficult to discern how able these other agencies are to follow up on these types of complaints.

In Arizona, any person can register a complaint about funded care. The state is authorized to inspect, to conduct a records review, and to interview any child care personnel or household member, resulting in some form of appropriate administrative action. This can include being put on probation for 30 days, in which case the state will not refer any new child but the child(ren) in care can remain. The state may also choose to suspend payments for 90 days. At the end of such a period, the state may terminate suspension, put the provider on probation if the violation has been corrected, or initiate revocation.

In Pennsylvania, under the CCDBG, Local Management Agencies (LMAs) review complaints and if they are related to Department of Public Welfare (DPW) standards, DPW investigates. In Missouri, any complaints registered are investigated.

Prior Records

A number of states require criminal records checks and/or child abuse registry/index checks. Some states only require declarations while other states actually conduct the checks.

Several states, recognizing that providers who have had their licenses revoked may simply care for fewer children (taking them out of the jurisdiction of the regulatory agency) and seek public subsidies, have attempted to address this concern. Arizona, for example, requires both relatives and nonrelatives to certify that they have not been denied "for cause" a license to operate a facility for the care of children in Arizona or another state, nor had a license to operate such a facility revoked. Indiana requires that the provider certify that they have not had a "license, registration or certification for any type of care denied, suspended or revoked in the last five (5) years." Beyond self-certification, a state could check its own state records, but there is currently no system for multi-state checks of regulatory records.

RECOMMENDATIONS FOR HEALTH AND SAFETY FUNDING REQUIREMENTS**

It is noteworthy that certain individual health and safety funding requirements within any given state may be extremely strong while others are very weak. Consequently it is difficult to rate any existing state's overall requirements as being either stringent or weak and makes it impossible to select any state as having "model" requirements which we could simply adopt as our recommended funding requirements.

In trying to determine exactly which funding requirements are necessary and appropriate, it is useful to keep some important points in mind. First, we have very little research informing us of which health and safety requirements actually result in less injury or illness in *regulation-exempt child care*. Indeed, even on the regulatory side, while we have some research to support the imposition of certain regulations, we still lack important data about which regulations are most critical and effective in preventing harm. For example, in developing the weighted indicator checklist for regulatory evaluation, researchers looked in part to a field survey of individuals involved in child care to rank regulations in order of their importance for the protection of children from risk; this assessment was based simply on these individuals' own judgment and experience (Griffin, *et al*, 1994).

Second, since regulation-exempt care is a broad category, it may be that different requirements are appropriate for regulation-exempt family child care, relative care and in-home care. It is important to think about a range of requirements increasing in stringency as larger numbers of children are served and more group care issues come into play.

Third, within the category of regulation-exempt family child care, what any state would appropriately impose would depend on the range of the category exempted. (For example, does the home have only a couple of children and more closely resemble parental care than group care? Or, does it more closely resemble group care?)

Fourth, within the category of regulation-exempt family child care, what any state could feasibly impose will largely depend on the history of what has been imposed on the regulated side as well as each state's political landscape.

The Children's Defense Fund has suggested that basic funding requirements for regulation-exempt child care should include:

** In considering which requirements to impose, it is important for each state and/or payment agency (if such agency is not an arm of the state) to determine its ability to enforce the requirements it imposes and the possible liability repercussions which may arise from failure to do so. For example, if information is collected which is not actually reviewed, liability exposure would be heightened. For a more extensive discussion about these concerns, see Chapter Five.

- a modest amount of training to ensure that providers are knowledgeable about basic health, safety and child development issues
- evidence of provider good health
- a home visit on the basis of standards conducted prior to funding and periodically thereafter
- proof of children's immunizations
- 18 years of age
- criminal and child abuse registry check
- firearms locked and inaccessible
- basic health and safety practices such as keeping poisons from children and having smoke detectors
- children offered nutritious snacks and meals, and
- no corporal punishment.

CDF has also urged consistent standards across subsidy streams. We review this list below and add several other requirements. The list below is specifically for regulation-exempt family child care. Each item is followed by a rationale. As appropriate, we have included a range of requirements, recognizing that in some states more could and should be expected of providers serving larger groups of children. This list assumes basic habitability of the home of the provider, including a working toilet, hot and cold running water and the like. If this cannot be assumed, states should consider adding such items to the basic requirements list.

- **A modest amount of training**

Training has been shown to be a major determinant of the quality of care children receive. The type of training should vary in format and content depending on the numbers of children served. At the lowest numbers, providers need information about basic health and safety and developmental issues which are very similar to the information which has been developed for parent audiences. Information can be conveyed face to face, through written materials, through videos, posters, etc. It should not, however, be sufficient, to simply hand a prospective provider a stack of materials. At a minimum, consideration should be given to a two-hour orientation. For providers serving larger numbers of children there needs to be greater emphasis on those issues with greater impact in group care—the control of the spread of infectious disease, appropriate disciplinary measures in group situations, and so forth.

- **Evidence that the provider is in good health**

Providers must be sufficiently healthy to provide child care services. At a minimum they must not pose a health danger to the children in care. At one end of the continuum, they should provide documentation (not self-certification) of being free from conditions which could pose the most common greatest risks to children (e.g. evidence of a tuberculosis clearance). At the other end of the continuum, with greater numbers of children in care, it may be more appropriate to require a more comprehensive medical exam. Imposing a medical exam requirement raises issues about the level of access which low-income providers have to health care in general and specifically about the feasibility of getting the necessary health exam. An interesting proposal related to this concern is one being discussed in Rhode Island. It would allow providers who care for children as part of the state's welfare or low income child care programs to become eligible for the state's employee health plan if they are not covered by health insurance (National Center for the Early Childhood Workforce, 1996).

- **Enforcement**

Given the number of providers, home visits for the purposes of certifying initial and continuing compliance with funding requirements may not be feasible. However, in states with large exemptions (i.e. providers may remain exempt despite caring for large numbers of children), inspections should be very seriously considered. States with smaller exemptions will have to rely on certifications by both parents and providers, and verification of those items which can be documented. States should also provide training, materials, and equipment or links to training, materials and equipment to increase the likelihood of compliance with funding requirements.

- **Regulatory check**

It makes little sense to pay persons to provide regulation-exempt child care who have been determined unfit to provide regulated care to children, if the basis for the denial or revocation was a serious demonstration of inability to care for children. There could be instances where differences between regulated care and regulation-exempt care could justify allowing a provider to receive subsidies, but generally, the burden should be on the provider to prove fitness.

- **Authorization for care in a medical emergency**

In order to ensure that a child will be cared for in an emergency by health care personnel, it is advisable for the provider to obtain advance authorization for care from the parent.

- **Proof of children's immunizations**

Measles outbreaks recently resulted in childhood deaths nationwide. Immunization records should definitely be required in homes serving larger groups of children where the possibility of illness spreading from child to child is greatest, but records should also be considered in even the smallest settings because child care is a perfect intervention point to prevent future harm or even death caused by illness. Parents and providers should be given a list of immunization clinics. No child should be denied child care because of the lack of an immunization record; plans to enable compliance should be the remedy.

- **18 years of age**

There are a few states which allow providers to be younger and some which require the provider to be 21, but we find this to be the point typically considered the age of majority and sufficiently mature to care for children when care is paid for with public dollars.

- **Criminal and child abuse registry check**

There is widespread agreement that public dollars should not be used to purchase care by providers who have been convicted of crimes which are serious and demonstrably connected to the danger they might pose to children in care and/or who have been found to have substantiated cases of child abuse on their records. It is more sensible to actually require the records check than ask for self-certification given the seriousness of the concerns involved and the potential for fraud. States should also seriously consider conducting this check on all adults resident in the home during the hours care is provided. However, improved efforts are needed to automate these processes so results are available in a timely fashion and so the expense of this requirement does not result in an inability to require other measures which could more affirmatively impact the quality of care offered.

- **Firearms and other weapons locked and inaccessible**

There has been an increasing number of children killed and maimed by guns which were accessible to them in home settings. If guns are present, this should be disclosed to the parent. Locked boxes should be one of the items which could be made available to providers who must meet funding requirements; in one study of gun owners, 53% did not keep their guns locked up (Weil, *et al,* 1992).

- **A list of basic childproofing tasks to be completed in a home**

Many of the injuries which occur to children in homes are the result of very basic childproofing tasks which were not undertaken. Providers need information about what those dangers are and how they are remedied. This should include not only issues like covering electrical outlets but concerns such as lead safety as well. A bag of basic childproofing equipment should be distributed and/or assistance should be provided to purchase childproofing equipment as necessary.

- **A list of when handwashing is required and a user-friendly poster of how handwashing should be done**

Handwashing is the surest method to prevent the spread of infectious disease. Consequently, it is useful to inform providers of the times when handwashing should be performed and how it is most effectively done. The Centers for Disease Control which developed a handwashing poster for child care centers should develop a new poster which focuses on home child care settings.

- **No smoking provisions**

At a minimum, parents should be informed if the provider or anyone else resident in the home while care is to be provided smokes. However, especially where there are infants or large numbers of children, smoking should be banned outright given recent research which has confirmed the dangers associated with second hand smoke, particularly for younger children. These include respiratory illness and increased risk of Sudden Infant Death Syndrome. While such a requirement tends to cause discomfort because of its impact on the lifestyle choices of others, there is weighty, objective medical evidence which demonstrates the harm of smoking in the presence of children.

- **Maintenance of operable smoke detectors and fire extinguishers**

Fire and burn injuries are the sixth major cause of death among persons aged 0-19 and about 80% of these deaths resulted from house fires. Smoke detectors halve the risk of dying in a house fire, but studies have found that in some communities, one third do not work (Centers for Disease Control, 1990). Batteries for smoke detectors can be one of the items made available to those who must meet funding requirements. For providers serving larger numbers of children, the development of an evacuation plan is essential.

- **Operable telephone with emergency numbers posted, including the parent's telephone number**

Having a telephone available in cases of emergency is particularly critical because regulation-exempt caregivers operate on their own and do not necessarily have other adults available as back up to either seek help or watch the children while the provider seeks help. To the extent

possible, it would be helpful for state agencies and/or payment agencies to develop emergency phone listing cards for dissemination to providers, with standard information (such as poison control numbers) already filled in, while leaving space for essential local numbers. Basic first aid kits should also be distributed.

- **Nutritious snacks and meals**

Adequate nutrition is necessary for healthy human development. Small regulation-exempt family child care providers need information on proper nutrition. Whether the Child and Adult Care Food Program (CACFP) should be extended significantly through the development of "alternative approval" systems in states with regulation-exempt family child care is a policy issue requiring much greater consideration before action is taken.

- **No corporal punishment**

Given the vulnerability of children in out-of-home settings, the closed nature of the setting itself from oversight and the injury which may result from excesses in the type and amount of punishment administered, it seems appropriate that public subsidies should not be available to those using corporal punishment.

- **Provision of information on other relevant laws impacting anyone caring for children**

Although providers already may need to comply with certain other laws beyond the funding requirements which affect the health and safety of children, not every provider will be aware of those laws. Consequently, it will be quite worthwhile to provide simple, user-friendly information to providers receiving subsidies about other relevant state laws, such as the child abuse reporting laws and the child passenger restraint laws.

- **Unlimited parental access**

This requirement already appears independently in all the major child care funding legislation. This provision primarily arose out of child abuse concerns which developed in the child care field in the 1980s. Unlimited parental access is especially critical in the regulation-exempt situations, where there is no regulatory oversight whatsoever, and limited oversight by funding agencies.

- **Parental/Provider sign-off**

Most states require that funding requirement checklists be signed by the provider and parent, but some only require that the checklist be signed by the provider or the parent. We believe it is preferable for both to sign as it gives some assurance that both are familiar with the requirements. It also presents a possible opportunity for the parents and providers to discuss very important issues about care and increases the likelihood that parents will be aware of certain features they should be looking for in providers' homes.

- **Copy of requirements**

Parents and providers should both receive copies of all funding requirements. In this way, they will have something to refer to if concerns should arise after child care arrangements have begun.

Additionally, funding requirements should include **non-discrimination provisions**. While these are not "health and safety" funding requirements, they do contribute to the recognition that all

children must be appropriately served, including children with disabilities. While it is unlikely that a parent would select a small regulation-exempt provider who did not want to care for a child as the result of discrimination, in situations where care is limited and the exemption for providers is extensive, this could be an issue.

We agree with the Children's Defense Fund that health and safety funding requirements ought to be consistent across funding streams, since the protection of children should not be dependent upon which child care subsidy their parents receive. Uniformity should not be gained at the expense of protection. We do not support dropping all requirements to the lowest common denominator—this would be a case of foolish consistency.

Charge to the States

The list above is the bare minimum. In those states in which regulatory coverage is minimal and is not likely to be expanded and where funding requirements are limited, we propose enhancing funding requirements to a meaningful level appropriate to the numbers of children being served. Each state is encouraged to reexamine the funding requirements it has imposed as well as the regulatory requirements it now imposes on regulated caregivers to determine a sensible approach to meeting the health and safety needs of all children regardless of setting. At present, we have no reason to believe that establishing reasonable funding requirements will result in any significant diminution of the regulation-exempt child care supply, but enhanced requirements could promote improved child outcomes.

Trends

Since the enactment of the FSA in 1988, there has been a minimal, but still perceptible increase in the funding requirements imposed on regulation-exempt child care across the states but it appears that change is in the wind as welfare reform at the state and federal levels is considered.

Consequently, we are now seeing states proposing changes which move in both directions—some states propose to loosen requirements to increase supply, while other states consider tightening requirements, recognizing that more children are likely to be cared for in such situations.

In our review, we noted that some states have made progress in bridging the differences in funding requirements established under the CCDBG and IV-A At Risk programs with child care subsidies available under the other IV-A programs; generally, this has resulted in slightly higher requirements on the IV-A side. In the course of this review, we encountered no state requirements, (regardless of perceived "stringency") which had been determined by the federal government to restrict provider participation in programs (thereby limiting parental choice). Consequently, states appear to be determining how stringent their funding requirements will be based upon their own judgements of what is politically and financially feasible given their own state climate and context.

As this publication was going to press, the federal welfare reform measure being considered incorporated the health and safety requirement language in the current CCDBG statute for all child care. This would improve consistency but would still leave a great deal of latitude to the states in determining what the funding requirements will be.

PAYMENT RATES AND METHODS

The enactment of new federal funding streams resulted in a new approach to paying for the care. In both the entitlement and discretionary programs, a new market approach was established. All the IV-A programs required that child care subsidies were to be determined based upon "market rates." These rates were to be based upon what providers were charging consumers of care in the private market. However, in order to pay at a market rate, there must be a defined market capable of being surveyed. In the case of CCDBG, no market rate survey is required; but since it is one method to establish a payment rate "sufficient to ensure equal access... to comparable child care services provided to children whose parents are not eligible to receive child care assistance" and is used for other funding streams, most states use market surveys to establish rates across the board.

This has presented significant problems to states with respect to regulation-exempt family child care. In most areas, it is difficult, if not impossible, to obtain a representative sample of regulation-exempt family child care providers. Nevertheless, some states have attempted to conduct such surveys. For example, a Minnesota statute provides, "Beginning in 1994 and every two years thereafter, the counties shall conduct a survey of registered nonlicensed caregivers to determine the 75th percentile rate for infants, toddlers, preschool, and school age children." Similarly, Pennsylvania surveys all unregulated providers "known to the Department." There are some significant issues however, as to whether a survey of only subsidized regulation-exempt providers is actually representative of "the market" since such a survey does not reflect the private market at all. Moreover, it raises an issue of whether the methodology is in fact establishing rather than reflecting rates. There are also issues as to whether all regulation-exempt caregivers should be viewed as constituting the same market.

In an Action Transmittal issued by the Administration for Children and Families in 1993 (CC-ACF-AT-93-7), states were directed to conduct surveys of unregulated providers which were based on representative samples of providers or slots, but not necessarily surveys which were statistically reliable. Among the survey procedures ACF found acceptable were:

- surveying State employees who use legal unregulated care about provider charges;
- working through a statewide chain of hotels to survey employees about their child care costs;
- surveying unregulated providers the State has paid within the last two years about current charges; or
- surveying fast food restaurant employees about provider charges.

The latter three procedures, however, do not appear to be "representative" of the private market because it appears that *only* or *primarily* low income employees are being surveyed. ACF disapproved applying a percentage difference against the local market rate (LMR) established by survey for one category of care to arrive at the LMR for another category of care. This may need reconsideration. In the meantime, using a percentage of the regulated care rate may well be useful to compare with rates gathered through the ACF sanctioned methods above to determine if rates are markedly different.

Generally states have established much lower rates for regulation-exempt family child care than for regulated family child care. However, some states do not distinguish between regulated and regulation-exempt family child care and some states combine regulation-exempt family child care with in-home care despite what may be significant differences in these forms of care.

Of significance too is the fact that some regulation-exempt providers ultimately get paid less because they are not considered by the payment agency to have "standard" billing practices which include being paid weekly or monthly rather than hourly, charging for absences due to illness and vacation, and so forth.

Policy Considerations

Developing appropriate methodologies for surveying a representative sample of regulation-exempt family child care providers will continue to be challenging. From a policy standpoint, it is critically important that a delicate balance be maintained. Regulated providers should receive higher levels of compensation to acknowledge that their investment in meeting regulatory standards costs them something and is of value. On the other hand, compensation for regulation-exempt providers must not be so low as to: devalue caregiving completely; limit the availability of this type of provider for a parent who wants this choice; or steer parents in this direction solely because of the desire to stretch subsidy dollars further by paying for only "cheap" child care.

Payment Methods

Payment methods as well as rates have the potential to strongly influence the type of care purchased. If payments are made as reimbursements rather than in advance and if payments are made only to parents rather than providers (regardless of whether the care is regulated or not) it is more likely that regulation-exempt providers rather than regulated providers will be willing to provide services.

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CHAPTER FOUR

A Closer Look at Several States

Introduction

The following pages examine regulated family child care and regulation-exempt family child care receiving public child care subsidies in greater depth by reviewing regulations and funding requirements in five states. The states examined are: California, Oregon, North Carolina, Illinois, and New Jersey. These states were selected because they include a range of regulatory coverage for family child care, impose varying levels of family day care regulation, impose varying levels of funding requirements on regulation-exempt family child care, and are geographically diverse.

The purpose of this closer examination is twofold: first, to inform our more general impressions and findings with a focus on how things are actually working in several states, and second, to identify any particularly beneficial policies or problems which need to be addressed.

Each state description begins within an overview of some selected features of the state to give the reader a sense of the context for child care within that state.

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CALIFORNIA

Federal Poverty level: $12,320 for a family of three (1994)

Estimated Median Income for a family of three in FY 1997 (U.S. Census): $40,954

AFDC Standard of Need for a family of three: $730 (1994)

AFDC Cash Grant for a family of three: $607 (1994)

% of Children under 18 in poverty (based on 1989 income): 18.2%

% of Children under 18 in single parent families (1990 census): 22.0%

% of Children under 18 who are poor by race (based on 1989 income):

White:	12.7
Black:	30.7
Latino:	27.2
Native American:	26.5
Asian/Pacific Islands:	19.6
Other:	30.2

Regulation: Mandatory licensure for family child care.

Exemptions: One family caregivers and care provided by relatives.

Number of licensed small (only) family day care providers: 31,481 based on state figures through July, 1996 and county figures through May, 1996.

California has a statewide system of child care resource and referral, with at least one agency in every one of the 58 counties.

California's Regulatory Scheme

California's child care regulatory scheme is administered by the Community Care Licensing Division of the Department of Social Services. Twelve counties administer family day care licensing only, using state guidelines. The state's child care licensing budget is approximately $26 million dollars and includes approximately 387 staff persons.

Effective January 1, 1997 California will define a family day care home as "a home that regularly provides care, protection and supervision for 14 or fewer children, in the provider's own home, for periods of less than 24 hours per day, while the parents or guardians are away, and is either a large family day care home or a small family day care home," (Health & Safety Code Section 1596.78). Currently, the maximum number in a small home is six and a large home, twelve, but the numbers will be increased by two school age children at the beginning of next year. Such homes must be licensed.

Statutory exemptions include a "family day care home providing care for the children of only one family in addition to the operator's own children" (Health & Safety Code Section 1596.792 (d)) and regulatory exemptions include "any arrangement for the receiving and care of children by a relative," (22 Cal. Code of Regulations Section 102358(a)(3)). Relatives are defined by policy rather broadly.

Basic *regulatory* standards required of those seeking licensure as a family day care provider include, but are not limited to:

- caregivers must be 18 years old
- caregivers must be free of tuberculosis
- caregivers must have 15 hours of training in CPR/First Aid and other preventive health practices

(A provisional license can be granted for otherwise qualified applicants for a period of 90 days at which time this requirement must be met.)

- caregivers must document the child's immunizations before admitting a child
- caregivers must have a smoke detector and fire extinguisher

(Small family day care providers are not required to obtain a fire clearance although large homes are.)

- caregivers and other adults resident in the home must be cleared against the California Criminal History System and the Child Abuse Central Index of California
- firearms and dangerous weapons inaccessible and locked
- no corporal punishment
- safe and sanitary premises

Licenses are granted without an expiration date and are operative until taken away or surrendered. However, once every three years there is a required unannounced visit. Visits also occur prior to initial licensure, and upon complaint (and follow up if necessary). Unannounced visits are also required on 10% of all licensed family day care homes each year. A fee of $25

must accompany an application for a small day care home and $25 must be paid annually thereafter to maintain the license.

Complaint and Enforcement System
Complaints are investigated *on site* within 10 days except in those instances where the Department of Social Services determines that the complaint is willfully intended to harass a licensee, is without reasonable basis, or would impede an investigation. In response to violations, civil penalties may be imposed; licenses may also be temporarily suspended or revoked.

Upon denial, revocation, or temporary suspension of a license or within 24 hours of a finding that physical or sexual abuse has occurred, the Department must notify the appropriate child care resource and referral agency.

Providers are entitled to appeal any formal decisions made by the Department of Social Services.

Miscellaneous
Protections found in state law forbidding zoning prohibitions, landlord discrimination and deed restriction prohibitions only apply to regulated family child care homes.

California's Funding Requirements for Regulation-Exempt Family Child Care

California was a pioneer in allowing for the use of public dollars for child care in settings which were exempt from regulation. In 1979, California, using its own state child care dollars, established the Alternative Payment (AP) Program which is essentially a voucher program. However, unlike other payment programs it is also expected to provide documentation that children receiving subsidies also receive other supportive services as necessary and appropriate. There are 110 AP programs across the state, with sixty-nine of these attached to child care resource and referral agencies.

In 1985, Greater Avenues for Independence (GAIN) was enacted in California, a welfare reform measure which essentially laid the groundwork for the later federal welfare reform measure, the Family Support Act of 1988. GAIN guaranteed child care and allowed parents to choose regulated or regulation-exempt child care which would be paid for at a market rate. This market rate was established at 1.5 standard deviations from the mean cost of care, approximately the 93rd percentile. Because of the difficulty in establishing (identifying) a regulation-exempt market, the market rate for unregulated care was set at .964 of the regulated family child care rate. This category included both in-home care and out-of-home care (one family caregivers and relative care).

Presently, there are nine separate statewide state and federal child care subsidy streams which are available to pay for child care through a "voucher" system; each of these systems will pay for the use of regulation-exempt family child care. These subsidy streams include: the Alternative Payment (AP) program (state only money), GAIN (California's JOBS program for

those on AFDC), Transitional Child Care (TCC), IV-A At Risk Child Care, Child Care and Development Block Grant (CCDBG), CAL-LEARN (teen mothers on AFDC), Supplemental Child Care (SCC) (a supplement made available to those using the child care disregard), Non-GAIN Education and Training Program (NET) (those on AFDC in approved self-initiated training programs), and the California Alternative Assistance Program (CAAP)(available to working parents who are eligible for AFDC but who choose to decline cash assistance). The California Department of Education (CDE) administers the AP, CCDBG, and IV-A At Risk Programs, the latter by agreement with the Department of Social Services (DSS). DSS administers all other subsidies.

Basic Funding Requirements Related to Health & Safety

California does not impose consistent basic health and safety funding requirements on the nine funding streams identified above. The CCDBG and AP programs are treated alike, and providers (others than aunts, uncles, grandparents, great aunts, great uncles or great grandparents by blood, marriage or court decree) must complete a health and safety checklist and be "TrustLined."

The following items on the health and safety checklist are required:

- proof that the provider is 18
- provision of a social security number and advisement that earnings are subject to IRS reporting
- description of child care experience and educational qualifications (must answer question but no particular experience or qualifications are required)
- working smoke detectors and fire extinguishers
- certify that provider will not use corporal punishment
- allows for unlimited parental access
- listing of all other adults living in the home where care is provided and relationship to provider
- listing of two local character references other than the parent (who the form says should be contacted by the parent)

The provider is also required to sign a statement that reiterates some of the above and adds that:

- s/he is free active infectious tuberculosis;
- s/he is physically and mentally capable of caring for children;
- health and safety training information is available; and
- the provider is not the employee of the payment agency.

Parents sign a statement to the effect that they: approved the provider, contacted the references, certified that the provider is capable, have seen evidence of TB testing, know that the provider must not use corporal punishment, are entitled to unlimited parental access, know that health and safety training information is available, have the responsibility to assure that the care and the

location of care is safe and finally, understand that the payment agency did not and will not check the safety of the care nor will it check to determine if any of the information on the health and safety certification form is correct.

The following items on the health and safety checklist are optional:

- children are protected from hazards such as pools, electrical outlets, stairs, etc.;
- access to a telephone and access to emergency telephone numbers;
- dangerous or poisonous materials and medicines are locked up or out of reach;
- no dangerous or poisonous materials are stored with foods; and
- weapons and ammunition are out of the reach of children.

A copy of this health and safety self-certification appears in Appendix C.

Additionally, each person providing the care and receiving the subsidy must be "TrustLined" unless they are an aunt, uncle, grandparent, great aunt, great uncle or great grandparent by blood, marriage or court decree; being TrustLined is required for not only CCDBG and AP, but for all subsidy streams. This process checks the California Criminal History System and the Child Abuse Central Index of California. Expanding the process to include an FBI check under certain circumstances is expected to be phased in shortly.

TrustLine is somew[illegible]at different than criminal record checks completed by other states. Names of persons w[illegible]e been cleared by California's Department of Justice are entered into a registry and remain there until disqualifying crimes or substantiated child abuse is turned up. The registry is updated on a regular basis, and information about subsequent disqualification is forwarded to payment agencies so that payments can be suspended. (The registry is also available to non-publicly subsidized parents; private providers not subsidized may apply to be on the registry for a cost of $85.)

The registry is reached through a 1-800 telephone number. This number now goes directly to a child care resource and referral agency rather than the Department of Justice so when parents call, they can be given additional information on choosing child care and the like.

Processing time is between four to six weeks. Providers who submit their fingerprints and applications in a timely fashion (within 30 days) are paid until their application is denied or their approved status revoked (because of subsequent criminal convictions or substantiated child abuse). This has presented some concern as individuals, when submitting their fingerprints and application, may already be acknowledging serious crimes and presently are being paid until the application is processed.

The TrustLine process does not automatically check information on previous licensing denials or revocations. This is important because previously regulated providers whose licenses have been revoked but who have not been criminally convicted would be able to receive subsidies without review. Legislation passed in 1994 would remedy this, but implementation has not yet

occurred. In contrast to the regulated family child care provider, the regulation-exempt family child care provider is not required to have other adults present in the home when care is provided checked against criminal or child abuse records.

The U.S. Department of Health and Human Services (DHHS) has determined that Federal Financial Participation (FFP) for background checks of Title IV-A participants is an allowable administrative expense when: the provider is otherwise exempt from regulation, the checks are a health and safety requirement of a State or Federally subsidized child care program which the State also imposes on IV-A providers (they cannot be imposed only on IV-A providers), the state, not the provider, pays for the checks, and the provider cares for a Title IV-A eligible child. (See CC-ACF-AT-94-2.)

Unlike the CCDBG and AP programs, all other subsidy streams in California do not require the completion of the health and safety checklist. The requirements which *are* imposed break out as follows:

GAIN, NET and Cal-Learn require that the provider be 18, and that the caregiver provide a statement about the provider's health, criminal record and educational history which should be made available to the parent; however, there are no specific standards which must be met. Also required are the names, addresses and telephone numbers of two character references.

For GAIN and NET only, payment must be withheld in cases of a violent felony or child abuse.

TCC, SCC and CAAP simply require that the provider be over 18 and exempt from regulation; a determination of regulation-exempt status is left to the parent through written certification.

The At-Risk Child Care Program requires that if the child care provider is exempt from licensure, the caregiver must provide his or her qualifications and experience, a health statement, whether the provider has ever been convicted of a felony, a signed statement from the parent that the parent has interviewed and approved of the provider, and a valid identification verifying that the provider is at least 18 years of age. The provider must also allow each parent or legal guardian unlimited access to his or her child or children while the child or children are in the care of the provider.

Complaint System
Unlike regulated care, there exists no formal complaint system; if parents are dissatisfied with care they simply request a change of provider.

Enforcement
As mentioned above, the health and safety requirements required of CCDBG and AP providers are met by self-certification; the only documentation seen by the payment agency are a copy of a driver's license or photo identification, a receipt for the TrustLine application (which is submitted to the resource and referral agency) and a completed fingerprint card.
The IV-A subsidies' minimal requirements are also met by self-certification.

Payment Rates and Methods

One group of programs pays providers at 1.5 standard deviations from the mean cost of care or approximately the 93rd percentile; these programs are GAIN, CCDBG, and Cal-Learn. Another group of programs pays providers at the 75th percentile. These programs are TCC, At-Risk and CAAP. NET has been paying at the 75th percentile, but a recent court decision, if not stayed pending an appeal, will increase payments to the 93rd percentile. Regulation-exempt providers are paid the same market rate; this includes in-home care as well as regulation-exempt family child care which encompasses relative care and one family caregivers.

There is no uniform requirement for who is to be paid; depending on the program and the county, a parent or provider may be paid. Whether payment is in advance or reimbursed is dependent on the requirements of each program as well as the standard practices of the provider.

Utilization

According to the latest statistics available, for July of 1995, of the total number of children (55,273) receiving child care services through some form of Title IV-A subsidy (other than IV-A at risk), 10,561 were cared for by relatives in the relatives' homes and 14, 745 were cared for in one family caregiver situations, thereby accounting for close to half of the care subsidized. (An additional 10,311 children were cared for by relatives in the child's home and 7,941 were cared for by non-relatives in the child's home resulting in a overall percentage of 79% of all care being provided in regulation-exempt settings.)

The CCDBG and IV-A At Risk Child Care Programs collect no data on the type of care utilized.

Studies

Several important studies have been conducted in California looking at the child care usage of families on AFDC participating in GAIN, California's JOBS program. One study examined several aspects of the child care situation for single mother AFDC GAIN recipients who began an education or job search activity after registering for GAIN. Findings from the study revealed that while a majority of children under the age of 5 were in regulated child care, regulation-exempt child care was the most common arrangement for school-age children. The greatest utilizers of voluntary referral services were those whose initial preferences were for regulated child care. Those using referral services were found to take more active steps to locate and compare child care arrangements. (See Meyers' studies listed in the Bibliography.)

Responses to Issues of Choice and Quality

Despite language in the federal law requiring parental choice, GAIN regulations are not neutral on this point. The regulations state, "Child care by family members shall be encouraged [emphasis supplied], but the choice between licensed or exempt child care arrangement shall be made by the participant."

As mentioned previously, TrustLine is used to screen providers receiving subsidies from each of the various funding streams. Because initial contact for TrustLine is with resource and referral agency personnel, there is an opportunity to speak with parents planning on selecting regulation-exempt care and providers offering exempt care.

In 1992, the California Child Care Resource and Referral Network received funding from the California Department of Education, through the federal Child Care and Development Block Grant to develop materials for parents who were thinking of choosing or who had already chosen regulation-exempt child care. Among the items created were a poster called "Be Safe" in English, Spanish and Chinese, which identified graphically the common hazards found in homes and common remedies to make the situations safe. Also developed were two videos, one in English and one in Spanish (with the Spanish version not merely a dubbing of the English—for example, Spanish speaking parents were the parents interviewed) which is intended for viewing by the parent (with or without the provider) to assist them in developing an optimal working relationship with a regulation-exempt caregiver. The English video, "For My Child's Sake: Choosing a License-Exempt Caregiver," while primarily focused on in-home caregivers, does cover questions which are useful to ask any regulation-exempt caregiver and provides advice from other parents who have chosen license-exempt care. These are the first materials developed statewide which are specifically intended to focus on the needs of parents using regulation-exempt care and those providing it.

Other materials which are distributed to parents and providers through the TrustLine process are: "The Art of Finding Child Care," a pamphlet available in English and Spanish which is useful in choosing all forms of care, a small poster which reviews the ages and stages of typical child development, tax information in English, Spanish and Chinese and a TrustLine pamphlet available in English, Spanish and Chinese.

Regulation-exempt family child care providers who complete a health and safety self-certification and who are TrustLined are eligible to received reimbursements through the Child and Adult Care Food Program. This means that regulation-exempt family child care providers receiving CCDBG or AP subsidies are eligible; those receiving IV-A funds are not eligible.

Proposals for Change

Currently, a bill is being considered which would require all exempt providers, paid by the CCDBG and AP programs only, to obtain six hours of child development training.

Summary

California's regulatory coverage is relatively broad, covering all but relatives and one-family care givers. Its regulatory requirements are not as extensive as those found in many states, although regulations have been strengthened over the last several years. However, during the last legislative session, the size of homes were expanded by the possibility of adding two school-age children, thereby worsening adult-child ratios.

Some believe that the moderate level of regulation accounts for the large number of homes regulated. Once part of the licensing system, these homes are monitored prior to licensure, upon complaint, and once every three years (unannounced); unannounced visits are required on 10% of all licensed homes each year.

Relative to other states, California's health and safety funding requirements for the purchase of regulation-exempt family child care are minimal, particularly on the IV-A side. California also has different requirements from funding stream to funding stream. A large proportion of those receiving public subsidies are using regulation-exempt family child care. The California Child Care Resource and Referral Network has pioneered the development of materials specifically focused on the parents using regulation-exempt care and those providing it.

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Meyers, Marcia, *Child Care in JOBS Employment and Training Program: What Difference Does Quality Make*? Journal of Marriage and Family 55 (August 1993): 767-783.

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OREGON

Federal Poverty level for a family of three: $12,320 (1994)

Estimated Median Income for a family of three in FY 1997 (U.S. Census): $37,323

Standard of Need for a family of three: $460 (1994)

AFDC Cash Grant for a family of three: $460 ($118 disregarded) (1994)

% of Children under 18 in poverty (based on 1989 income): 15.8%

% of Children under 18 in single parent families (1990 census): 20.4%

% of Children under 18 who are poor by race (based on 1989 income):

White:	14.2
Black:	36.3
Latino:	33.8
Native American:	32.3
Asian/Pacific Islands:	19.6
Other:	37.2

Regulation: Mandatory registration without inspection; required if caring for more than three day care children at any one time who are from more than one family and care is provided for more than 70 days in a calendar year.

Exemption: Less than three children, care provided by a person related to the day care children by blood, marriage or adoption, one family caregivers, care for more than three children but for less than 70 days in a calendar year.

Number of registered providers: 13,000

Oregon has a statewide child care resource and referral system. There are 16 R&R service districts with funded programs in 12 of them, serving 28 of Oregon's 36 counties. The counties served have 95% of the Oregon population of children under age 13.

Funding: For the period July 1, 1994 through June 30, 1995, an estimated $31,992,360 was expended in Federal funds for the support of child care; state expenditures are estimated at $24,535,890.

OREGON'S REGULATORY SCHEME

Oregon's regulatory scheme for child care is administered by the Child Care Division (CCD) of the Employment Department. The regulatory budget is approximately 1.35 million with approximately 35 staff.

Prior to 1994, registration for family child care homes in Oregon was voluntary. At that time, about 6,000 homes were registered. This previous registration system had more stringent rules than those adopted in 1994. While the previous system allowed for inspections, inspections did not actually occur except in the 1970's when some federal money was available for this purpose.

Effective August 15, 1994 family child care providers are required to register if:

- child care is provided to three day care children who are from more than one family and care is provided for more than 70 days in a calendar year; or
- the provider receives payment from an agency which requires that the provider be registered; or
- the provider wishes to participate in the U.S. Department of Agriculture (USDA) Child Care Food Program.

Three was the number of children triggering regulation because it was the number at which the Legislature could reach agreement. Many legislators took the view that caring for small numbers of children was a private matter and it was inappropriate for government to interfere. Advocates successfully argued that the law would not apply to relatives and close friends, but only to those entering the marketplace.

Basic *regulatory* standards required of those seeking to register as a family day care provider include, but are not limited to:

- caregivers and substitutes are to be at least 18 years old and "in such physical and mental health as will not adversely affect a child in care"
- immunization records of children in care
- no corporal punishment
- parental access when child is in care
- covers on electrical outlets
- smoke detector on each floor level
- firearms and ammunition under lock
- working telephone
- two usable exits to the outdoors
- emergency contacts
- child care providers and adult residents in the home are checked against the Oregon State Police Law Enforcement Data System and the state's protective services records. Juvenile court records may also be checked
- building, grounds, water supply, toys, equipment and furniture maintained in a clean, sanitary and hazard free condition

- medicine, drugs and poisonous and toxic materials kept under child proof lock; cleaning supplies, paints, matches and plastic bags inaccessible to children
- caregivers must have 2 hours of training in recognizing and reporting child abuse as a condition of renewal which is to be available at no cost (this program is now being developed as voluntary as it was felt it could not be mandated unless access could be assured)
- a list of recommended standards must be distributed to parents
- compliance with civil rights laws

No inspections occur prior to registration nor on any routine basis thereafter. To determine if requirements are met, the provider may be asked to permit CCD, the fire marshal or a public health official to assess the home or review records.

Registration is valid for two years at a cost of $30; however, if the provider limits child care to no more than four day care children at any one time, the fee is $25; and if the provider's family income is below 100% of the Federal Poverty Level, and the applicant indicates that payment of the fee is a hardship, the fee may be waived.

Complaint and Enforcement System
- CCD will determine if the complaint is about a rule.
- Depending on the degree of alleged danger the provider is contacted by mail, phone, or home visit.
- Inspections are allowed (i.e. provider can have registration suspended, denied or revoked if the provider fails to allow the inspection) but are not mandated to occur.
- Registration may be suspended immediately if children are at risk of harm.
- Providers have appeal rights

OREGON'S FUNDING REQUIREMENTS FOR REGULATION-EXEMPT FAMILY CHILD CARE

The Adult and Family Services Division of the Integrated Child Care Program administers child care subsidies. To be eligible to receive subsidies, child care programs must meet "listing" requirements. In the case of regulated providers, this means meeting existing regulatory requirements. In the case of non-registered family day care providers (those who are exempt from regulation) specific rules are imposed which enable these providers to be considered "listed day care providers."

Basic Funding Requirements Related to Health & Safety
These requirements apply to day care providers serving one or more children whose care is subsidized by the Adult and Family Services Division through the Integrated Child Care Program. By meeting these requirements, the regulation-exempt provider can be listed:

- providers shall be at least 16 years of age, and in such physical or mental health as will not adversely affect a child in care
- two usable exits or an evacuation plan
- running water safe to drink

- working smoke detector on each level and where children nap
- fireplaces, space heater, woodstoves, stairways and other hazards have barriers
- grounds, toys, equipment and furniture are kept clean, sanitary and hazard free
- firearms, ammunition and dangerous items like medicine, drugs, poison, cleaning supplies, paint and plastic bags are kept out of children's reach
- attendance at a free Oregon Child Care Basics health and safety training course (these 2 four hour courses appear to be voluntary)
- allow parental access
- deny access to those who have demonstrated behavior which may have a detrimental affect on the child
- criminal records check performed on all persons named on form (provider and listing is denied if the provider or a resident of the facility has a founded report of child abuse, child neglect, or failure to protect a child, unless the person provides evidence to CSD of changed behavior through successful participation in rehabilitation, training or counseling)
- give parents information about immunizations
- take steps to prevent infectious disease
- report suspected child abuse
- supervise children in care at all times
- inform of arrests and of any changes in those living with provider
- providers may be asked to supply additional information and to determine compliance CSD may inspect the premises

A copy of the complete "listing" requirements appears in Appendix C.

Oregon distributes a "Child Care Provider Guide" for care other than JOBS child care. In addition to material about the listing process itself, the guide includes information about "Preventing the Spread of Infectious Disease," an immunization schedule, local county health department immunization coordinators, information on "Recognizing Child Abuse," child abuse reporting requirements and a directory of offices for making these reports.

Enforcement

Upon a failure to meet requirements or correct deficiencies, CSD may deny or close a listing. CSD may immediately close a listing to protect children from abuse or a substantial threat to health and safety. However, those denied or who have their listing closed, may reapply when conditions which caused closure are corrected. Providers are given certain appeal rights.

Payment Rates

Oregon conducts a biennial statewide market rate survey. The state reimburses child care costs up to the 75th percentile. The "family" category includes regulation-exempt family child care, registered family child care and in-home providers; thus regulated family child care does not receive a higher rate.

PROPOSALS FOR CHANGE

Oregon is currently considering tightening up its criminal record check requirements. Presently, there is only a general description of which crimes are disqualifying. Oregon is currently considering a more specific, though exhaustive, list of disqualifying crimes and are in the process of determining to what degree recency of the crime will be taken into account. Additionally, state agency personnel would like to improve the process so that it can occur more rapidly. They would like to be able to conduct the check before issuing a billing form; this will require improved technology. They are also looking at doing checks on providers who have recently moved from other states.

Oregon is also considering the incorporation of a training mandate in its funding requirements. They would likely conduct a pilot project first, to ensure that providers are able to access the necessary training, and to demonstrate that such a requirement would not be an impediment to parental choice.

SUMMARY

The regulatory scheme which was established in 1994 for family child care homes is remarkably consistent with the funding requirements imposed for the receipt of public subsidies. Both involve mail in self-certification type forms with inspection possible if necessary but rarely used—both require that a complaint be made before any inspection occurs. Because so many of the requirements are either identical or substantially similar it is probably more useful for analysis purposes to look at any significant differences. These would be that an exempt provider receiving subsidies can be 16 while a regulated provider must be 18. Regulated providers are prohibited from using corporal punishment while those exempt receiving public subsidies are not. Rates paid do not vary based on whether a provider is regulated (registered) or regulation-exempt.

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NORTH CAROLINA

Federal poverty level for a family of three: $12,320 (1994)

Estimated median income for a family of three in FY 1997: $37,449

Standard of need for a family of three: $544 (1994)

AFDC Cash Grant for a family of three: $272 (1994)

% of children under 18 in poverty (based on 1989 income): 17.2%

% of children under 18 in single parent families: 22.4%

% of children under 18 who are poor by race (based on 1989 income):

White:	9.3
Black:	35.9
Latino:	24.2
Native American:	24.9
Asian/Pacific Island:	16.4
Other:	31.2

Regulation: Any day care program or child care arrangement wherein day care is provided on a regular basis of at least once per week for more than four hours per day for more than two children under 13 years of age, but not to exceed a maximum of eight children, with no more than five preschool-age children at any one time, wherever operated, and whether or not operated for profit; excludes operator's own school-aged children and school-aged children who reside at the location of the day care home.

Exemption: Care for less than three children; care provided by relatives including grandparents, aunts, uncles, brothers, sisters, first cousins, guardians, or full-time custodians.

Number of Registered Providers: There are 4,252 registered day care homes. These are the small family child care providers.

North Carolina has 28 child care resource and referral agencies serving 41 counties. Nine more are offering some sevices, but these R&Rs are not fully operational yet. These nine R&Rs serve an additional ten counties.

North Carolina's Regulatory Scheme

The North Carolina Department of Human Resources, Division of Child Development, Regulatory Services Section administers North Carolina's regulatory system for child day care facilities.

In fiscal year 1995-1996 the Licensing and Regulation budget is approximately $3,200,000. This does not include the newly mandated criminal check; that is budgeted at $83,000 for a half year. The staff includes 79 staff persons.

In North Carolina, child day care homes must obtain a certificate of registration for legal operation. These homes are defined as "any day care program or child care arrangement wherein any person...provides day care on a regular basis of at least once per week for more than four hours per day for more than two children under 13 years of age, but not to exceed a maximum of eight children at any one time...with all children counted except the operator's own school-aged children and school-age children who reside at the home." (General Statutes of North Carolina, Chapter 110, Article 7, Section 110-86(4).)

Basic *regulatory* standards required of those seeking licensure as a family day care provider include, but are not limited to:

- caregiver must be 18
- that the home operator attest to her/his physical or emotional ability to care for children with completion of a health questionnaire
- that the operator have written proof that she/he is free of active tuberculosis
- health and emergency information for each child
- working phone in close proximity of the home with emergency numbers readily accessible
- completion of a course in CPR and a basic multimedia first aid course prior to registration
- CPR must be renewed annually, first aid every three years
- no use of corporal punishment
- hazardous items are to be kept locked or inaccessible
- meet a variety of sanitation requirements
- homes must be equipped with an electrically operated smoke detector and an adequate number of fire extinguishers; monthly fire drills
- criminal records check for the provider (effective January 1, 1996)

The application fee to become registered is $5. Depending on what people need to meet requirements, such as smoke detectors, lock boxes, etc. and training, it is estimated that the overall cost is $45.

Complaint and Enforcement System

Certificates of registration remain valid for two years, unless terminated, revoked or suspended. State representatives make an announced initial registration inspection, make announced inspections of randomly selected registered homes prior to registration renewal, make unannounced inspections of randomly selected registered homes, and unannounced visits when

there is probable cause to believe that an emergency situation exists or if there has been a complaint of a violation of the registration law.

Civil penalties may be imposed, not to exceed $1000 for each violation documented on any given date. Penalties are not to be imposed unless there is a specific finding that it is reasonably necessary to enforce the rule(s).

North Carolina's Funding Requirements for Regulation-Exempt Family Child Care

Homes which are not required to be registered by the state, those known as nonregistered home providers, must meet certain requirements to receive public subsidies. The same funding requirements are imposed regardless of the source of the subsidy; in other words, the same requirements are imposed on IV-A, CCDBG, SSBG and state funding.

Nonregistered homes are day care arrangements which are exempt from registration due to the number of children being cared for (not more than 2 unrelated to the provider) and/or the number of hours care is provided (caring for more than 2 unrelated children but without exceeding four hours per day).

Basic Funding Requirements Related to Health & Safety

The funding system in North Carolina is state supervised and locally administered by the 100 counties. Each county Department of Social Services receives three separate streams of money —FSA, non-FSA and Smart Start. Smart Start is fully state funded and covers children birth to age 5. It is not yet implemented statewide but it supports programs such as immunizations and quality enhancements for child care.

- All nonregistered home providers must be at least 18 years old.
- All nonregistered home providers, with the exception of grandparents, aunts and uncles (including "step" and "great" relationships) of the child receiving care must also comply with certain health and safety standards.

If a child care provider chosen by the parent meets the definition of a nonregistered home provider, the parent/responsible adult must be given a copy of the Nonregistered Home Checklist. The checklist is to be completed by the parent and the provider unless, as mentioned above, the provider is the grandparent, aunt or uncle of the child. The provider is also given four additional forms: Child's Health and Emergency Information, Health Questionnaire for Child Day Care Home Providers, a Medication Consent Form and the Application for Enrollment Form; the latter is used to determine the legality of the arrangement and the rate to be paid.

The checklist includes basic requirements such as:

- a completed and signed health and emergency form for the child
- no use of corporal punishment unless child's grandparent, aunt or uncle or a religious sponsored home
- all areas kept clean and free of hazards
- working telephone
- valid license if transporting children
- handwashing and diaper sanitation requirements
- completed health questionnaire for the provider
- test within the last two years demonstrating the provider is free of active tuberculosis
- indoor or sanitary outdoor toilets
- clean drinking water
- battery operated smoke detector
- completion of a basic multimedia first aid course (if not, can complete within 3 months in order to be fully approved)
- no substantiated child abuse and neglect complaints

Once the checklist is reviewed and completed by the parent and the provider (who are both required to sign the form) it is submitted back to county departments of social services. After the checklist is reviewed by staff and approved, one copy is sent to the provider and one to the parent. If any item is not in compliance, a corrective plan must be developed and documented. Temporary approvals may be issued pending achievement of compliance with requirements at the discretion of the county; under no circumstances are temporary approvals extended if the item of noncompliance jeopardizes the safety or well being of children in care. Approval can be denied or revoked if:

- the provider or an individual who lives in the home has been found to be a perpetrator of abuse or neglect, or an investigation alleging abuse or neglect is in process and the arrangement poses a threat to the child's health or safety;
- if the provider has been convicted of a crime involving child abuse or neglect or moral turpitude;
- if the provider is an habitually excessive user of narcotics or other impairing drugs;
- if the provider is mentally or emotionally impaired to an extent that may be injurious to children;
- if the provider is less than 18; or
- if the provider doesn't comply with participation or health and safety requirements.

A complete copy of these requirements appears in Appendix C.

In addition to the checklist, a packet of materials is given to the nonregistered home provider upon approval. Included are: an emergency numbers card, immunization pamphlet, information on reporting child abuse and neglect, a pamphlet on childproofing the home and first aid information.

Complaint and Enforcement System

When a provider is found to be out of compliance after approval, the county sets a time limit for compliance, which is to be documented either on the checklist or in a corrective action plan. If compliance does not occur within the time specified, the county has the option to terminate approval. Each nonregistered home provider must be evaluated for compliance annually at which time the provider and parent must complete a new checklist.

Payments are not made until the home is approved. If temporary approval is granted, and care begins, once fully approved, payment may be made retroactively to the date the services began.

Random monitoring of nonregistered homes is performed by staff from the Division of Child Development. Checklists completed by the consultants are received by county Departments of Social Services which are expected to develop a corrective action plan for correcting any noncompliance. Allegations of abuse or neglect by adult relatives is completed by the local Department of Social Services; nonrelatives are investigated by the Abuse/Neglect Section in the Division of Child Development.

Nonregistered home providers may appeal decisions regarding the denial or termination of approval; the appeal procedure is the same in place for client appeals. If approval is denied or terminated due to information regarding child abuse or neglect, the information may be shared with the provider but not the parent.

Payment Methods and Rates

Individuals needing child care subsidies apply to their counties for assistance. Typically, the county pays the provider directly. The maximum payment for nonregistered home providers is the same as the rate for any type of homebased care; however local purchasing agencies may negotiate or establish a lower rate of payment for these providers since they do not meet registered home standards.

Utilization

During March of 1996, of the 49,974 children served in both FSA and non-FSA programs 4,651 were served in nonregistered homes. FSA child care subsidies (which includes AFDC, Teen Parents, JOBS and TCC) accounted for the overwhelming number of children using nonregistered homes; 4,631 of those using nonregistered homes were using FSA subsidies.

PROPOSALS FOR CHANGE

Legislation has recently been proposed which would limit the payment rate for nonregistered providers to 50% of the market rate or, the rate they charge their full fee-paying parents, whichever is lower.

SUMMARY

North Carolina generally requires that care for three or more children be regulated through a system of mandatory registration; those caring for less than three or for relatives are exempt. Registration requirements are fairly standard. Unlike many other states, North Carolina's registration system *does* involve initial inspections, announced inspections of randomly selected homes prior to renewal, unannounced random inspections, and upon complaint.

North Carolina's funding requirements for regulation-exempt family child care are somewhat less extensive than its regulatory requirements for regulated family child care; but to a greater degree than most states, both sets of requirements are relatively comparable. Unlike many other states, North Carolina randomly monitors its nonregistered homes for compliance. While utilization of regulation-exempt family child care is greatest in the IV-A programs, relatively little regulation-exempt family child care is purchased in North Carolina compared with other states reviewed. This may be because the two sets of requirements are so comparable that providers simply decide to register.

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ILLINOIS

Federal poverty level for a family of three: $12,320 (1994)

Estimated median income for a family of three in FY 1997: $43,639

Standard of need for a family of three: $890 (1994)

AFDC Cash Grant for a family of three: $367 (1994)

% of children under 18 in poverty (based on 1989 income): 17%

% of children under 18 in single parent families: 22.8%

% of children under 18 who are poor by race (based on 1989 income):

White:	9.7
Black:	43.3
Latino:	25.0
Native American:	23.9
Asian/Pacific Island:	9.4
Other:	27.8

Regulation: In Illinois, licensing is mandatory for the care of four or more children.

Exemptions: Care for children of a single household; care provided in the home of a relative; and care provided to no more than 3 unrelated children under the age of 12, including the provider's own children.

Number of Licensed Day Care Homes: As of June, 1996, there were 10,151 licensed day care homes.

Illinois has a statewide resource and referral agency system. There are 16 resource and referral delivery service areas, with one of these areas served by two agencies, for a total of 17 agencies.

Funding: Nearly $220 million in federal, state and local funds will be spent on child care programs in Illinois in FY 1996.

ILLINOIS' REGULATORY SCHEME

Illinois' regulatory scheme is administered by the Department of Children and Family Services (DCFS).

Basic *regulatory* standards required for those seeking licensure as a day care home include, but are not limited to:

- 18 years of age or older
- favorable character references
- a first aid kit
- operable fire extinguisher
- smoke detector (newer buildings and those remodelled must have a hard-wired smoke detector)
- two exits
- emergency evacuation plans, including fire and tornado drills
- operable telephone
- covered electrical outlets
- safe and sanitary premises
- free from lead paint
- safe furniture and equipment
- hazardous materials stored in inaccessible areas
- no handguns unless peace officer on premises, in which case, gun disassembled without ammunition in locked storage
- any firearms other than a handgun are to be kept disassembled, without ammunition in locked storage; ammunition also locked in storage separate from firearm; parent notified of above
- background check for child abuse and neglect history
- provision by caregivers and all household members of results of a medical exam, including a TB test
- provision by caregivers of medical evidence of freedom from physical or mental conditions which could interfere with child care responsibilities
- emergency medical authorization
- parental access without prior notice
- immunization records for children in care
- handwashing
- no corporal punishment
- provision of developmentally appropriate activities
- provision of nutritious meals
- specialized infant, school age and night care requirements
- summary of licensing standards to parents

Day care home licenses are valid for two years unless revoked by the Department or voluntarily surrendered. There is no fee to be licensed. Inspections occur prior to licensure, upon renewal and upon complaint.

Complaint and Enforcement System

When a complaint alleges abuse or neglect of the children in care, DCFS' local child protective staff are notified immediately. For all other complaints alleging licensing violations, an investigation must commence within two business days. Generally, investigations are to be completed within 30 calendar days. Once findings are made, the licensee is informed that they may seek an informal review and a corrective action plan. If compliance does not occur, the Department may deny, refuse to renew, or revoke a license.

Providers have appeal rights once formal action is taken by the Department.

Illinois' Funding Requirements for Regulation-Exempt Family Child Care

Illinois currently has a very complex child care subsidy delivery system. There are eight different funding streams administered by two departments. The Department of Children and Family Services (DCFS) administers three funding streams which provide employment related child care to working poor families up to 75% of the state median income. These are CCDBG, SSBG and through an interagency agreement with DPA, part of a IV-A At Risk program. The Department of Public Aid administers JOBS, TCC, and the Direct Pay program for AFDC working parents, all of which are entitlement programs; it also administers the IV-A At Risk program and the Donated Funds Initiative which are programs for the working poor similar to those administered by DCFS.

Basic Funding Requirements Related to Health and Safety

Once it has been determined that a parent is choosing regulation-exempt child care, the provider and the parent must sign and complete a certification which is part of the application form. The requirements are essentially the same, whether the funds come from DPA or DCFS.
Providers must certify that:

- parents will have unrestricted access to their children at all times;
- all state and local fire, health and safety codes have been followed;
- all providers have current TB skin test and physical exam on file within 90 days of signing the form;
- all cleaning agents, poisons, and other hazardous materials are stored in an area inaccessible to children;
- no firearms or ammunition in the home OR firearms and ammunition in the home are in a locked cabinet or storage area
- first aid supplies are readily available
- no corporal punishment
- children will be provided with developmentally appropriate activities
- children will be supervised (indoors and outdoors) at all times
- children will be given nutritional meals/snacks
- they have not been responsible for the abuse or neglect of children in the past five years or been responsible for acts of sexual molestation or sexual exploitation in the past twenty years, and further authorizing the Department to check the Child Abuse and Neglect Tracking System (CANTS) to confirm the information.

Parents are required to certify that:

- the child(ren) is current on all immunizations and verification is on file with the provider;
- a review of the home has been completed and the parent agrees that it is a safe environment;
- written notification has been given to the provider if anyone other than the parent will pick up the child(ren);
- an emergency phone number, written consent for medical care and for dispensing prescription medication has been given to the provider;
- the name of the family physician is on file with the provider;
- they are responsible for the service provided to their children; and
- that they will report any change in child care arrangements within 10 days.

The checklists used appear in Appendix C.

Enforcement
These requirements are primarily enforced through self-certification although the state gives itself the authority to request further documentation and to check the Child Abuse and Neglect Tracking System (CANTS).

Payment Methods and Rates
DPA contracts with child care resource and referral agencies to administer payments for the TCC, IV-A At Risk, and Direct Pay programs. The R&Rs do the preparation work for paying providers and then the data is sent electronically to the state which cuts the checks. DCFS administers its programs through eight regional offices. Depending upon the program, payments are made directly to vendors who have signed agreements, directly to the parent, or directly to the parent but sent to the provider. In the case of parental financial mismanagement two party checks are issued. The Department of Public Aid has a single rate for relatives, in-home care and unlicensed homes (regulation-exempt family child care). DCFS uses the same rate.

Utilization
The Department of Public Aid (DPA) which administers IV-A funds, Project Chance (the JOBS program), TCC, At-Risk and Direct Pay (Child Care for AFDC working parents), used vouchers to serve 18,745 children in exempt family child care homes of a total of 27,645 children served with vouchers. Thus, 67.8% of the vouchered care paid for by DPA went to exempt family child care homes.

Studies
Illinois is one of the few states which has conducted research on the child care needs and experiences of its single parent families on AFDC. Through a federal Child Care Improvement Grant, Illinois commissioned an important study examining: (1) who is taking care of the children, (2) what factors influence the types of providers used, (3) to what extent do these families use state child care subsidy programs and (4) how is child care implicated in the willingness or ability of these parents to enter work or training situations. The study, *Child Care and AFDC Recipients in Illinois: Patterns, Problems and Needs,* found that about one-third of the parents relied on care in the homes of relatives. Researchers indicated that in most

cases this involved the use of license-exempt providers (providers caring for 3 or fewer children). About 7% said they preferred care in a non-relative's home. Other findings were:

- fewer than half those individuals who wanted center based care were using it; (relatively little formal child care was available);
- cost was the most frequently cited constraint, and led many to rely on informal care; and
- hours of care needed promoted the use of informal care (Siegel, *et al*, 1991).

Responses to Issues of Choice and Quality

The Child Care and Development section of the Department of Public Aid developed a video entitled "All My Child Care." Using a soap opera format, the video is used to heighten awareness of parents' child care options. It is designed to be shown in Project Chance (JOBS) waiting rooms, orientations and staff training as well as in resource and referral agencies and social service agencies. The video and accompanying poster and brochure also highlight the availability of assistance from child care resource and referral agencies in meeting parents' child care needs and resolving their child care problems. Additionally, joint training sessions have been held for R&Rs and Project Chance staff.

Recent Proposals

The Day Care Action Council of Illinois has recently released a report outlining its proposal for changes in the subsidy delivery system. The report, "Thriving Children, Striving Families: A Blueprint for Streamlined Delivery of Child Day Care Collaboration Plan" sets out of vision for a new child care delivery system with six major points. It recommends that: 1) state subsidies be available to all families at or below 60% of state median income regardless of their history with public aid; 2) families should pay sliding fees based on their income and family size; 3) the rates should allow for improved quality and parent choice, with three tiers, namely enhanced for higher quality, basic at the 75th percentile and a license exempt rate; 4) undertake a variety of activities to improve quality and increase supply including performing a CANTS (Child Abuse and Neglect Tracking System) and a health check on license-exempt care: 5) a unified one-stop referral and payment system established which uses contracts and vouchers as well as better integration with early childhood and school age systems; and 6) an exemption be applied to families with children under age one who are receiving public assistance from mandatory work requirements.

Of particular interest to our study of regulation-exempt family child care are the proposals for differential rates and additional funding requirements for license-exempt care. In describing the differential rate system, the report suggests the system as means of ensuring the expansion of education plus care, to safeguard against the deterioration of the quality of licensed care and pay a fair rate to friends and family members who care for the children of working parents who cannot, or choose not to, access formal, licensed care. While the report calls for lower, but fair rates for regulation-exempt care, it does not discuss how such a rate or rates would be determined.

With respect to additional funding requirements, the report urges some funding requirements which go beyond self-certification. While the report supports an initial home visit, this is not recommended due to cost, but does recommend that license-exempt providers be checked against CANTS and be required to obtain a physical to ensure that providers are free of communicable diseases such as tuberculosis.

SUMMARY

Illinois has relatively extensive requirements for providers to become "licensed day care homes." Its requirements for regulation-exempt family child care receiving public subsidies are significantly lower than requirements for regulated care, but relative to other states' funding requirements are somewhat more extensive.

As one strategy to assist parents, DPA developed a video for Project Chance participants designed to heighten awareness of child care options. It also supported critical research on the situation of families on AFDC using child care which has supported significant policy efforts including Illinois' elimination of the child care disregard for "Direct Pay." DPA also contracts with child care resource and referral agencies, helping to link AFDC parents with mainstream child care resources.

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NEW JERSEY

Federal poverty level for a family of three: $12,320 (1994)

Estimated median income for a family of three in FY 1997: $50,985

Standard of need for a family of three: $985 (1994)

AFDC Cash Grant for a family of three: $424 ($25 disregarded) (1994)

% of children under 18 in poverty (based on 1989 income): 11.3%

% of children under 18 in single parent families (1990 census): 19.8%

% of children under 18 who are poor by race (based on 1989 income):

White:	6.4
Black:	27.8
Latino:	27.8
Native American:	26.2
Asian/Pacific Island:	5.9
Other:	33.0

Regulation: Homes serving six or more children must be licensed

Exemption: registration is voluntary for those caring for fewer than six children

Number of Voluntarily Registered Providers: There are approximately 4,500; however, there are waiting lists for registration resulting from insufficient budget and staff.

New Jersey has at least 13 child care resource and referral agencies statewide.

NEW JERSEY'S REGULATORY SCHEME

New Jersey has a system which requires homes with more than five (six or more) to be licensed. Homes with five or fewer children may voluntarily register, a system which was instituted in 1987. (While the definition states that family day care is for no fewer than three, the Division does not exclude a family day care home with fewer than three children from voluntary registration.) Under the current system, the state, through its Bureau of Licensing, Division of Youth and Family Services, Department of Human Services, contracts out the responsibility for registering the homes to family day care sponsoring organizations. These organizations may be public or private not-for-profit agencies. However, the Bureau of Licensing maintains its authority to conduct random inspections of family day care homes to ensure compliance with registration requirements. The family day care sponsoring organizations are to issue new and renewal certificates of registration, evaluate and monitor at least once every two years, annually monitor no less than 20 percent of providers on a random basis, monitor each provider prior to renewal and collect a registration fee of $25 when the registration is granted or renewed, and provide technical assistance and support to providers. Certificates of registration are to be renewed every three years.

These family day care sponsoring agencies currently have waiting lists of providers who want to be registered because the organizations do have sufficient funding to hire additional staff. The budget for contracting out registration is approximately $650,000. This does not include staff in the State Bureau of Licensing.

Basic *regulatory* standards required of those seeking voluntary registration as family day care providers include, but are not limited to:

- provider must be at least 18
- six hours of pre-service training
- parental access to those areas where care is provided
- information as to whether licenses or certificates have ever been denied or revoked in NJ or other states
- disclosure of criminal convictions by provider and anyone residing in the home over the age of 14; disqualification made on a case by case basis
- Child Abuse Record Information (CARI) check of provider and anyone in home over 14; any incident substantiated prevents registration
- health examination of provider conducted within preceding 6 months including written proof of tuberculin testing
- two letters of reference
- monitoring
- emergency information and authorization for treatment
- immunization records
- results of a child health exam
- working telephone in the home or accessible
- smoke detector on every floor
- working flashlight

- firearms, weapons and ammunition stored in locked areas
- hazardous materials inaccessible
- handwashing requirements
- no corporal punishment
- supervision requirements
- activity requirements
- information to parents including notice about smoking and pets

Temporary certificates of registration may be issued if the applicant is in substantial compliance with the requirements and there are no serious or imminent hazards to the health, well-being or safety of the children. These may not exceed a six month period.

Complaints and Enforcement System

- Complaints are investigated; visits are made when necessary to substantiate the complaint. The sponsoring organization maintains a file of complaints against providers as well as denials, suspensions, revocations and nonrenewals.
- Certificates of registration may be denied, suspended, revoked or not renewed. Parents of enrolled children are notified within 10 days of these decisions, except obviously in the case of denials.
- Providers may appeal these decisions.

Funding Requirements

New Jersey provides its JOBS, TCC, At-Risk and CCDBG funds through its Division of Family Development.

New Jersey requires that self-arranged care (that is care paid for under the REACH/JOBS program by public subsidy which is not regulated by the State) meet certain requirements which appear on a home inspection checklist as well as complete an interview. The checklist is broken into five sections, including physical environment, fire safety, general safety/sanitation, program, and rest and sleep.

Prior to receiving any payments, a county Lead Child Care Agency (LCCA) inspects the home and indicates the compliance status of approximately 30 items. Each item is rated "in compliance," "to be provided by program, not in compliance" or "not in compliance." Items include but are not limited to:

- indoor toilets
- equipment which is free of hazards
- working telephone
- smoke detector on every floor
- exits unobstructed
- hazards inaccessible
- working flashlight available
- first aid supplies accessible
- sufficient and appropriate toys and equipment

- drinking water
- safe infant equipment if relevant

Interview questions concern others who reside in the home, whether the provider has ever been convicted of a crime, ability to care for and experience with children, information on authorized pick-up, meals, etc. No inspection or monitoring occurs after the initial inspection. When homes are approved, emergency cards are provided.

A copy of these requirements appears in Appendix C.

Compliance and Enforcement System
If a home fails inspection the provider cannot be paid; however, at times safety equipment is provided to enable the provider to meet those particular funding requirements.

Payment Methods and Rates
After the parent is found eligible and any co-pay is assessed, payment agencies (which contract with the state) pay the provider. Usually care can begin before payment, as in the JOBS program; however, if the inspection is not successful, the caregiver is not paid. With the CCDBG program, care cannot start until after the inspection.

Under the CCDBG, registered homes and approved homes are both considered "family based care." Under the JOBS program there is a significant differential in rate between registered and approved (regulation-exempt) homes, recognizing, among other things, the physical exam requirement, the training requirement, and the increased stringency of the life-safety home inspection.

Utilization
A State official estimated that approved homes are used by approximately 30% of the JOBS and At-Risk parents, while these homes are used by approximately 20% of those receiving CCDBG subsidies.

Studies
New Jersey is one of the few states which has actually undertaken a study to look more closely at the child care provided in client arranged out of home care. The study was funded with a federal Child Care Improvement Grant. According to statistics reported in the study, in December 1989, the usage of the approved home category in the REACH/JOBS program represented 46% of all child care placements, while in December 1990, this form of care accounted for 35% of the child care used in the REACH/JOBS program.

The study surveyed both the providers and the parents who used the care. The providers were monitored using the same inspection checklist which was used for them to gain approval and the a instrument gathered information on the characteristics of the provider and general observations of the inspector. Inspectors also explored the approved provider's interest in becoming a registered family day care provider. Finally, DEA also used $3,000 to provide safety equipment to approved home providers to assure compliance with initial standards. One hundred

ninety-three approved homes were inspected with 87 violations uncovered. The vast majority of these were of a minor nature; of particular note is that 79 violations were those in which the providers required the safety equipment which DEA was able to make available. (This compared with results of initial inspections which uncovered 44 violations, 33 of which necessitated safety equipment.) The researchers noted that these findings "may indicate that periodic visits to homes may be warranted to ensure that consumable safety items are maintained in good working order." Another significant finding was that the average length of time the approved home providers were active in providing child care services to REACH/JOBS participants was six months.

This has implications for when support needs to be made available to providers, and raises concerns about the continuity of care for the children of REACH/JOBS participants. Also of note was the finding that 33% of the providers indicated a willingness to comply with registration requirements; those responding positively were younger and more likely to be renters than homeowners. This supports a notion that there are subsets of unregulated providers, some of whom might be approached to become regulated and some of whom, it should be acknowledged, will not become regulated and should be supported in other ways as unregulated providers. In a follow up study in three counties, researchers found that 44% of the approved providers were grandparents, but 28% of the providers were not related to the children.

Parents using approved home care were mailed a survey which focused on why participants chose that form of care, the extent to which accessibility of different child care arrangements affects choice and their ratings of the care their children were receiving. With respect to the parent survey, responses were received from 386 participants representing 33% of the population sample. Significant findings included:

- most REACH/JOBS participants chose approved home care because they want someone they know to care for their children;
- 7.5% did not know they had a choice among types of care available;
- 43% gave one main reason for using approved care, namely to keep the same person who provided care to their children before their entry into the REACH/JOBS program; 76% would not change their arrangement; and
- 90% rated their care as either excellent or very good.

SUMMARY

New Jersey does not require regulation until a provider cares for six children. It has a voluntary registration system for the care of smaller numbers of children. It currently has a backlog of individuals seeking registration.

New Jersey's health and safety funding requirements are more extensive than many states. A successful inspection is required before payment is made. The state, using a federal Child Care Improvement Grant, studied parents using approved homes and the providers offering this care. One of the most interesting findings was that on inspection, many of the deficiencies could be remedied by supplying the provider with the necessary safety equipment; there was a sense that

consumable items may need to be replenished on a periodic basis. However, many of the providers were only active in providing child care services for a relatively short time. Another important finding was that a significant number of providers were interested in learning more about becoming registered.

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CHAPTER FIVE

LEGAL ISSUES

The use of regulation-exempt child care and payment of such care through public subsidies raises a host of difficult legal issues. The most difficult issues pertain to in-home care which this particular report does not address. However, even regulation-exempt family child care raises legal concerns which policymakers and advocates have had or will have to address.

The following discussion is separated into two parts. The first section deals with a few legal issues which impact regulation-exempt family child care whether or not it is being publicly funded. The second section deals with issues that arise only when regulation-exempt family child care is being publicly funded.

LEGAL ISSUES FOR REGULATION-EXEMPT FAMILY CHILD CARE IRRESPECTIVE OF FUNDING

Income Taxes

Regulation-exempt Family Child Care providers are entitled to deduct the same expenses as any regulated child care provider (Copeland, 1996). Providers should be referred to Publication 587 of the Internal Revenue Service (IRS) "Business Use of Your Home (Including Use by Day-Care Providers)" for further information.

Zoning

Zoning can be a major impediment to the development of family child care homes, because in many communities these homes are either forbidden or find a variety of impossible restrictions imposed upon them. As a result, advocates have pushed for statewide zoning preemption laws.

Currently there are 17 states with family child care zoning preemption. Generally, these statutes only protect regulated family child care homes. However, in states such as Ohio, the statute provides protection to regulated and regulation-exempt homes, and considers both to be residential uses of property.

Since the typical rationale for zoning is to control land use impacts, it make little sense to allow homes with larger numbers of children to be permitted while forbidding those with fewer children. Some consider zoning protection to be an "incentive" to regulation, and this should be evaluated; but generally individuals tend to determine the number of children they will care for based on reasons other than zoning. We recommend zoning protection for all small homes regardless of their regulatory status.

Employment Issues

With the expanded use of exempt care occasioned by federal subsidies, a whole host of employment issues have arisen. This is largely because the relationship between the parent, state, county and/or payment agency (if not a state or county entity) has not been clearly established. The problems mostly revolve around whether the provider is an employee, and if found to be an employee, who the employer is.

Employee/Independent Contractor: Limited Utility of "National" Guidance

Classifications of workers as either employees or independent contractors has great significance for a variety of employment laws including tax law (both federal and state), minimum wage law, unemployment compensation law, and workers compensation law. Each of these areas of law and the court decisions interpreting them establish different standards for making the determination as to whether an employer-employee relationship exists. Moreover, most of these issues are governed at least in part, if not exclusively, by state law, which also varies considerably from state to state. This makes "national" guidance of limited utility. Readers are urged to obtain legal guidance which directly considers their individual state laws. Additionally, determinations on these issues are highly fact-specific. The final difficulty in providing guidance is that there are virtually no published decisions which address these issues in the context of regulation-exempt family child care.

The most common element used to determine employment status, regardless of the type of employment law being considered or the state in question however, is the "right to control" test. Under this test, a provider would be considered to be an employee if the person for whom the services are performed has the right to dictate not only what the provider should do, but also how, when and where he or she should do it. These cases are very fact-specific. They involve a range of situations from those involving in-home care (care provided in the child's own home) where it is most likely that parents control the aspects of the care and "employ" the provider (although there may be a finding of "joint employment" by the parent and the payment agency), to situations where a regulation-exempt provider cares for many children and controls how, when and where he or she provides the care. In between is the difficult grey area where questions of control are not as clear cut and where the determination may go in either direction depending on the facts and the standard applied, which in turn depends on the law in question.

Federal Income Taxes

Employers must withhold income and Federal Insurance Contributions Act (FICA) taxes from wages of employees but not from the wages of independent contractors. Instead, independent contractors must make quarterly payments of income tax and pay Self-Employment Contributions Act (SECA) taxes. If workers are independent contractors, employers do not pay taxes under the Federal Unemployment Tax Act (FUTA) and do not pay the portion of FICA taxes that are required to be paid for employees. Instead, Form 1099s are issued to the independent contractor. Providers should be informed about the tax consequences of their participation in

child care subsidy programs. For example, Indiana's funding requirements includes a requirement that a provider sign a statement which includes a section declaring, "I understand that it is my responsibility to report voucher payments as income on yearly tax forms. (Federal tax form 1099 will be provided by the Voucher Agent in January of each year for which I may have received voucher income.)"

The IRS applies twenty factors to determine whether a worker is an employee or independent contractor. The greater the employer's right to control the worker, the greater the likelihood that the worker is an employee and not an independent contractor. The issue is the right to control and not whether the employer actually exercises the control. Each of the twenty factors is listed below in a question format, with a "yes" answer tending to indicate an employer-employee relationship. Not all of these factors are easily applied to child care situations and the weight given any particular factor can vary. When the weight is not clear cut in the direction of an individual being an independent contractor, the IRS is inclined to classify individuals as employees.

1. Is the worker required to follow instructions?

2. Does the employer train the worker?

3. Are the worker's services integral or essential to the employer's business?

4. Is the worker required to render services personally?

5. Does the worker hire, fire and supervise other workers of the employer?

6. Does the worker have a continuing relationship with the employer?

7. Is the worker required to work set hours?

8. Is the worker required to work full-time?

9. Is the worker required to work on the employer's premises?

10. Is the worker required to perform services in a set order or sequence?

11. Is the worker required to file oral or written reports in which the worker must account for his or her actions?

12. Is the worker compensated by the hour, week or month?

13. Is the worker reimbursed for business and travel expenses?

14. Does the worker rely on the employer to furnish tools and materials?

15. Does the worker lack significant investment in the facilities that he or she uses in performing services?

16. Does the worker lack economic risk of a profit or loss from the services?

17. Does the worker work for one employer at a time?

18. Does the worker not make his or her services available to the general public?

19. Does the employer have the right to discharge the worker?

20. Does the worker have the right to terminate the relationship with the employer without liability?

State Income Taxes

Importantly, state income tax laws may use different standards to classify workers resulting in different tax consequences. Indeed, a state may reclassify an independent contractor as an employee while the person's independent contractor status for Federal tax purposes remains in effect. Consequently it is important to review the appropriate state tax law provisions as well.

Minimum Wage

The federal Fair Labor Standards Act (FLSA) includes provisions regarding minimum wage, mandatory premiums for overtime and so forth. Although each state may have its own laws regulating minimum wage and overtime, these laws must work in conjunction with the federal FLSA which can preempt state law when conflict arises. Importantly, however, states may enforce laws which are more protective of workers—for example, establishing a higher minimum wage or lower maximum work week as compared to federal law. Consequently, it is essential to understand state as well as federal law requirements.

Federal FLSA is applicable to employees engaged in interstate commerce or in the production of goods for interstate commerce which is very broadly interpreted. Since FLSA applies only if an employment relationship exists, a determination of such a relationship must first be made. As is most common, the primary consideration is the amount of control and supervision exercised over the person doing the work by the person for whom the provider is working. Other factors considered are: the amount of the person's investment in facilities and equipment; the person's opportunities for profit and loss; the degree of independent initiative, judgment or foresight exercised; the degree of independent business organization of the person; the permanency of the relationship; and the extent to which the services rendered are an integral part of the person's business. In cases of doubt, FLSA favors a finding of employment status. If employment status is found, there must also be a finding that the employee is engaged in interstate commerce or in the production of goods for interstate commerce. To make that determination, courts look to the size of the operation, the location of the facility, whether the facility offered to serve interstate travelers, whether products that had traveled in interstate commerce were used in the program, the extent and nature of the program's advertising and

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whether the facility was part of an industry that, as a whole, affects interstate commerce, among other considerations.

Under FLSA, there is a specific exemption for "domestic services" when the services are considered to be "casual babysitting." This is defined as care provided for less than 20 hours per week or on an irregular basis. However, this section *only* applies to care provided *in the home of the employer*.

The federal regulations, in describing FLSA exemptions do state that: "An individual in a local neighborhood who takes four or five children into his or her home, which is operated as a day care home, and who does not have more than one employee or whose only employees are members of that individual's immediate family is not covered by the Fair Labor Standards Act." (29 CFR 552.105(b). However, this guidance does not tell us how the law would be viewed if fewer children are cared for and all are paid for through public subsidies, although it appears that in many circumstances regulation-exempt family child care would not be subject to minimum wage.

Unemployment

As in other areas of employment law, access to benefits under unemployment laws are predicated on a finding of an employer-employee relationship. This again raises issues as to whether the regulation-exempt family child care provider is an employee, and if so, there is the question of who the employer is.

Workers Compensation/State Disability

Right to control issues are also largely determinative in the workers compensation area. However, courts may be more disposed to make a finding of employment status because of public policies favoring the protection of workers. While we have seen no cases respecting regulation-exempt providers, there has been at least one finding in New Jersey that a registered (regulated) child care provider receiving payments for child care was not the employee of the county welfare department for purposes of state disability. Because one of the considerations in coming to this conclusion concerned whether "such individual is customarily engaged in an independently established trade," the outcome might vary depending on whether, for example, the provider was regulation-exempt, was employed to care for only one child being subsidized by the state, and did not plan to care for other children at that time or in the future.

Tort Liability Issues

For payment agencies, one of the most significant issues concerning the purchase of regulation-exempt care is its potential liability exposure if care it pays for results in injuries to a child. In considering whether a state, county or private payment agency may be liable for injury to a child caused by a regulation-exempt family child care provider who is selected by the parent but receives payment through public subsidies, each state's particular tort law and funding requirements are determinative. Because immunity from liability may be available to governmental agencies but not private agencies, immunity provisions must be reviewed as well.

As has been noted in Chapters Three and Four, states vary dramatically in the requirements they impose on regulation-exempt family child care providers, what information is collected, the procedures they employ, if any, to enforce or monitor those requirements and whether payments are made directly to the provider or to the parent. These variations will affect findings of "duty," "proximate cause," and "standards of care," which are all essential features in making a determination of negligence (liability).

It is relatively clear under current case law that no duty of protection or oversight exists when there is no payment or legally required monitoring. For example, when a child was injured by an abusive regulation-exempt provider in Utah (who did not receive public subsidies), the courts found no governmental duty to prevent the provider from operating nor to warn the parents of the risk of abuse although these agencies were aware of previous investigations and warned the provider to reduce the number of children in her care if she wished to keep her regulation-exempt status (Owens v. Garfield, 784 P.2d 1187 (1989).

If a payment agency, however, establishes some duty, such as intentional monitoring for health and safety standards, there would certainly be a basis for establishing liability. This would also be true in most cases even if the duty were not required, but voluntarily assumed. A duty might be imposed even if monitoring was done with other purposes in mind (such as checking attendance or to eliminate fraud), for actual knowledge of foreseeable harm might result from the visit, but here again there is little case law to give more guidance. It is worth underscoring at this point however, that while potential liability exposure is increased as the result of monitoring, if done consistently and with appropriate documentation, actual increased liability exposure may not be the end result. In the course of this study, we did not learn of any lawsuits against states/payment agencies for injuries caused by regulation-exempt family child care providers paid for through public child care subsidies. Consequently, we have no basis for indicating that there are more successful claims in those states where requirements are more stringent or standards are monitored despite the fact that such requirements would impose a higher duty of care.

Some have theorized that payment alone may be sufficient to establish a "special relationship" which imposes a duty to protect children from harm. This is the explanation for states paying parents rather than providers or reimbursing parents after the parents have already purchased care. However, how payments are made will be only one factor to consider. We found no cases in the child care or analogous contexts to support the view that payment alone could create the basis for liability.

Even in the area of liability, determinations of employment status have significance. If an employer-employee relationship is established (again dependent on standards established under state law) between the regulation-exempt family child care provider and the payment agency, there is the possibility of holding the agency liable for the provider's negligence under a *respondeat superior* theory. Under this theory, the employer is held vicariously liable for the negligent acts of the employee. Again, issues of control will be paramount in making this determination. Some, but not all, cases look not to the establishment or monitoring of standards, but whether there is day-to-day supervision.

Protection from Liability

There are no absolute means to protect against the possibility of liability. In many states, if a parent chooses regulation-exempt family child care, they are either paid directly (rather than the agency paying the provider) or they are reimbursed after they have already purchased care. In a useful mechanism to ensure payment to the provider while seeking to limit liability, Illinois uses "redirected" payments. Payments go to the provider but are made out to the parent. While who pays the provider may well be one factor to be considered in determining liability, it is doubtful that it will be wholly determinative of the outcome of a lawsuit.

Some states/payment agencies require that parents sign a statement attesting to an understanding of the following provisions: the care being chosen is not regulated; those responsibilities the agency is taking on and those that it is not are precisely defined; and a hold harmless clause for any damage or loss for injury arising out of the care. The viability of such provisions again will turn on the facts of the case and relevant state laws.

More important than what is required is its implementation and/or enforcement. The most common liability exposure occurs when established procedures are not followed. As a result, a duty is not properly undertaken and the individual will have relied to their detriment on some action expected but not taken. For example, if parents are told that child abuse records are checked but they are not, and a child is molested as a result, liability exposure would be virtually guaranteed.

A final approach is encouraging/requiring the purchase of insurance coverage. In some states, regulation-exempt family child care providers who own their own homes will be able to rely on homeowners coverage while in other states courts have ruled that such coverage will not be available to those "operating a business." Whether separate liability policies for regulation-exempt family child care providers are available will also vary from locale to locale. The cost of imposing such a requirement will also need to be considered before it is imposed as a funding requirement.

SUMMARY

Until cases are decided in this area or clarifying legislation is enacted, the legal issues arising from the use of regulation-exempt family child care will remain murky. At least one of the reasons public policies remain so murky is that it is difficult to strike the appropriate balance between protecting low income parents and protecting the providers (who tend to be low-income individuals themselves) who care for their children.

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STRATEGIES OF RESPONSE

With a more comprehensive understanding of regulatory requirements, funding requirements, the specific situations of several states, and legal issues we are in a better position to strategize about what can be done to respond to regulation-exempt family child care in the public subsidy context.

This report proposes a triple-pronged approach.

First, in those states in which it is feasible, and particularly in those states in which a great deal of family child care is currently exempt, we propose advocating for the expansion of regulatory coverage. This has been the recommendation of several studies (Galinsky, 1994; Gormley, 1995), but we believe it to be even more critical in light of the growth in use of regulation-exempt family child care in the public subsidy context.

Second, in those states in which expansion of regulatory coverage is not feasible and where funding requirements are minimal, or in states where coverage is fairly extensive but where funding requirements for what is exempt appear inadequate, we propose enhancing funding requirements.

Third, we recognize that for most states, even with possible expansions in regulatory coverage, regulation-exempt family child care as a category of care will not be completely eliminated, nor will funding requirements imposed necessarily be sufficient to promote high quality care. Therefore, we propose that efforts be made (primarily, but not only, by states) to do whatever can be done to support families desiring and needing to choose this type of care and to support providers offering this type of care.

The following two chapters review basic strategies to support parents and providers; such supports will need to come from all sectors. This is followed by a chapter of overall recommendations which are grouped by the entity or entities with the capacity to undertake them.

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CHAPTER SIX

STRATEGIES TO SUPPORT PARENTS

Two principles that ground this work, namely parental choice and a belief that *all* children should be cared for in safe, nurturing environments with competent caregivers leads us to recommend several strategies with respect to parents.

Understanding Quality in *All* Child Care Settings

The first strategy is to help parents using public subsidies fully understand quality indicators in child care. Regardless of whether or not a program is regulated, parents should be able to obtain information and assistance in learning more about what they should look for in selecting child care. This means understanding more about what professionals have determined influences the quality of care, the relationship of quality care to improved child outcomes, and so forth. Increasingly, there are efforts to conduct public media campaigns on quality child care. These include major efforts such as Child Care Aware, funded by Dayton Hudson Foundation, Mervyn's, Target Stores, Dayton's, Hudson's and Marshall Field's; the "Who's Watching Your Kids?" campaign undertaken by the Alaska Department of Community and Regional Affairs in Alaska, and Child Care Awareness month which recently occurred in Utah. On a smaller scale, these are the efforts of hundreds of child care resource and referral agency staff across the nation that have developed choosing child care brochures and who talk to parents daily. There are also the efforts of groups like the American Academy of Pediatrics which developed a choosing child care brochure purchased by pediatricians and child health clinics to make available to parents.

Such efforts are critically important. But for purposes of this project, two important features need to be underscored. First, any quality care campaign should do its utmost to encompass **all** forms of care, distinguishing features where necessary and appropriate, but recognizing that care will occur outside of regulated settings. Secondly, it is imperative to develop strategies to ensure that broadbased messages are getting to individuals of low income, including those who will be purchasing care with public subsidies. This will require the development of new materials in some instances along with different, more effective distribution strategies to reach these families.

Understanding the Relationship Between Regulation and Quality

A second strategy is to help parents understand the relationship between regulation and quality. As noted above, recent studies have demonstrated the connection between regulation and quality. Yet, beyond some limited media attention when the studies were first reported, there have been limited efforts to "translate" and incorporate these findings into resources which reach parents. Some research on parent choices reveals parents consider the provider's warmth and access to educational opportunities, but parents do not consider the education and training of the provider or their regulatory status which research has determined are important to quality.

One example of trying to create that bridge was developed by the California Child Care Initiative Project of the California Child Care Resource and Referral Network, which developed a pamphlet in Spanish for parents, describing the links between licensing and quality in a manner that was culturally relevant to the audience. The pamphlet, "De a Sus Ninos La Comidad de Hogar" (Give Your Child the Comforts of Home), described to parents how they might find the type of care they were looking for by investigating licensed family child care. Making these connections was possible because there was an understanding of what parents were saying they wanted and an understanding of how those needs could be met in regulated settings.

Understanding Choices of Care Arrangements

A third strategy is to help parents using public subsidies fully understand their choices in child care. The means first identifying and understanding the different forms of child care available and then understanding the differences between regulated and regulation-exempt child care subject to funding requirements. Parents need simple, objective information on the important differences between care which is regulated and care which is exempt from regulation. Information is needed on differences between actual requirements and how the requirements are monitored and/or enforced. Without steering parents, objective information about these differences may result in some changed decisionmaking.

In studies of parent choice, relatively little weight is given to whether a child care situation is regulated or not. At the same time, studies have demonstrated the value of regulation in promoting the overall quality of care. Most parents beginning their search for child care have little understanding of what regulation is, what it can be expected and not expected to provide, and its relationship to quality. At the same time, many parents choosing regulation-exempt care subject to funding requirements have little perspective on how such requirements compare with regulatory requirements.

Little information has been developed which helps parents understand the differences between regulatory standards and funding requirements. This is not necessarily a question of which set of standards are "better" but simply understanding what one is purchasing—making an informed choice. This information should be available from the regulatory agency, the agencies administering public subsidies, child care resource and referral agencies and wherever parents who are choosing child care are likely to turn up.

Massachusetts' Department of Public Welfare has developed a one page sheet in English and Spanish which compares licensed child care centers, licensed family day care and informal child care (unlicensed) across several areas of concern and indicates who is responsible for ensuring compliance with the requirements. A more in depth pamphlet which also compares regulated and regulation-exempt child care and which provides useful, additional material as well was developed by the Greater Minneapolis Day Care Association. It is entitled, "What You Should Know About Choosing Legal Unlicensed Care." The pamphlet describes what type of care is exempt from regulation and then compares licensed and "legal unlicensed care" in several key areas. The booklet also lists a number of issues parents should discuss with providers and information on choosing child care generally. Utah's Office of Child Care has developed a

pamphlet called "Quality Child Care: A Parents' Choice," which lays out advantages and disadvantages of *all* forms of child care, summarizes regulatory standards and reviews quality indicators. A pamphlet has also been developed by Washington state entitled, "Is my child safe, healthy and happy? A checklist to help parents and guardians who are considering child care exempt from licensing." However, this pamphlet primarily provides information in a more accessible format of only the funding requirements which are imposed on regulation-exempt child care.

Some states have developed information on choosing child care which does incorporate information on the regulatory system and what can be expected of the regulatory agency. For example, Wisconsin has developed a "Consumer's Guide to Child Care," which includes a section on the state's role in monitoring care, and Maryland has developed "Choosing Child Care: A Guide for Maryland's Families," which includes information on all child care options and a section on "If You have Complaints." However, these pamphlets do not describe funding requirements.

Understanding the Relationship Between the Full Cost of Care, Market Rates and Reimbursement Rates

A fourth strategy is helping parents understand the relationship between the full cost of quality care, market rates and reimbursement rates. Although parents using public child care subsidies are constrained in their choices by what level of subsidy is available, they should be better informed about what the maximum ceiling is for the various forms of care available. This would give them a better sense of what care they can purchase in their local community. Parents using all forms of care need a better understanding of the costs of providing quality care and the benefits that can accrue to their children as the result of purchasing it (NAEYC, 1990). There is often a tendency in the counseling of low-income parents receiving subsidies to steer them to the cheapest form of care; parents are often unaware that the same subsidy system they are using would allow for the purchase of more costly forms of care as well. At times, this "steering" occurs in the belief that choosing the cheapest form of care will allow for continuity. While continuity of care is a factor to be considered in obtaining quality care, it is not the *only*, nor should it always be the *primary* consideration, particularly if continuity is achieved at the expense of other features like specialized training and skill.

Supporting the Choice of Regulation-exempt Family Child Care

A final strategy is to provide support to the parents who ultimately decide that regulation-exempt care suits their needs best. This will mean doing all that can be done to ensure that those children have the best experience possible. It is important to remember that, regardless of where care occurs, all children have the same basic developmental needs.

When, and particularly if, existing funding requirements are minimal, parents should be provided with recommended health and safety information which they can use for their own benefit to determine the desirability of a particular child care situation. This information should be developed with the recognition that care will take place in a residential setting; the information should be tailored accordingly. A good example of a creative response to such concerns was

the development by the California Child Care Resource and Referral Network of the "Be Safe" poster in English, Spanish and Chinese which graphically illustrates the common hazards found in homes and common remedies to make the situations safe.

Particularly when the regulation-exempt family child care setting is very small and resembles a family setting, new materials tailored for these settings need not always be developed; parents simply can be given materials which have been developed for parents which they should be encouraged to share and discuss with their providers. A good example is the "Baby Safety Checklist," developed jointly by the U.S. Product Safety Commission and the Gerber Products Company, which includes a growth chart and safety recommendations.

Strategies must acknowledge the differences within parent groups using regulation-exempt care. There has been a tendency toward treating people monolithically. Just as Holloway has noted that "[a]lthough didactic instruction may be preferred by many low-income parents, it would be inaccurate to assume that all parents of the same educational or occupational background share this preference," it would be inaccurate to assume to that all parents using regulation-exempt child care share either similar backgrounds or similar reasons for their choices.

Strategies must also acknowledge that efficacy will require the development of culturally and linguistically appropriate methods, including the hiring of staff who reflect their clientele in organizations assisting with child care choices. Welfare agency staff dealing with parents must be better educated about child care, and be better trained in how they can assist parents to access child care programs and child care support organizations.

Strategies may be costly in resources and this needs to be acknowledged. For example, for many parents the opportunity to sit down with someone face to face as opposed to communicating through voice mail is essential. Continuing contact with families, or at the very least, access to someone who can assist throughout the period when child care is being purchased is important. For example, any parent receiving a public subsidy could receive a brightly colored magnet informing them of who to contact if they need help at any point with their child care arrangements. Information developed must be attractive but not so expensive as to be non-reproducible; too many wonderful public education materials have failed to get to their intended readers for this reason.

Once having chosen regulation-exempt child care, parents need support to help them make these child care arrangements work. The California Child Care Resource and Referral Network developed a video ("For My Child's Sake: Choosing a License Exempt Caregiver"), in both English and Spanish. While the video is primarily focused on in-home caregivers, it also provides useful guidance about questions to ask all regulation-exempt caregivers and includes advice from other parents who have chosen regulation-exempt child care providers. This video has been distributed to county welfare departments, resource and referral agencies and payment agencies. The video places great emphasis on the skills needed by parents to communicate effectively with providers.

Regardless of the strategies employed to inform parents, those offering the information must remain cognizant of certain considerations. They include: ensuring that the information is presented at appropriate times, in appropriate languages and formats, and without unsupported biases.

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CHAPTER SEVEN

STRATEGIES TO SUPPORT PROVIDERS

As indicated in Chapter Two, regulation-exempt family child care providers may be providers caring for just one child or providers caring for a relatively large group of children. Another significant difference from state to state is that in some situations, regulation-exempt family child care providers could opt to become regulated whereas in other states this is not feasible. As a consequence, strategies to approach and support providers will vary considerably from state to state.

Assistance in Becoming Regulated

One strategy is to provide information to regulation-exempt family child care providers about becoming regulated if this is a possibility within a state. This information would objectively describe the differences between being regulated by the state and meeting funding requirements and would also include any advantages a provider might gain from becoming regulated. Such information should be made available when the provider first signs up to receive subsidies and periodically thereafter. In any group of regulation-exempt providers there will likely be a subset who express interest in learning more about regulation and a group who actually would, with appropriate supports, become regulated. This was seen in studies of regulation-exempt providers who lived in New Jersey and California (State of New Jersey, 1991; Rosiles, 1994). A recent publication, called the "Business of Informal Care," developed by Resources for Child Caring's Legal Unlicensed Outreach Project in Minnesota not only discusses tax issues of being a regulation-exempt provider but highlights the benefits of becoming licensed.

Assistance in Assuring Safer, Developmentally Appropriate Care

Many regulation-exempt family child care providers will not be interested in becoming regulated, but they may be very interested in learning how to improve their skills and provide safer, developmentally appropriate care. The nature of the support given will likely need to vary depending on the nature of the regulation-exempt family child care. Even without looking at the individual state to determine how broad the regulation-exempt category is or at specific research on the regulation-exempt family child care provider population in a particular locale, we still can posit that there generally will be three groups of providers (these groups may not always define themselves based on the numbers of children they care for).

The first group will consider themselves much like substitute parents and would likely include many relative caregivers. For these providers, information and support should probably be more in the nature of the information and support offered to parents than professional, regulated caregivers. Information and support should focus on childproofing, lead hazards in homes, immunizations and where they can be obtained, developmental milestones, and so forth. Any supports currently available through parent education and family support programs should be re-

evaluated to determine how they also might be directed towards regulation-exempt family child care providers and/or how parents and regulation-exempt family child care providers might be approached as a "team."

A second group of providers would be those who identify neither with parents nor professional caregivers but who see themselves as a distinctive group, with distinctive needs. Much more needs to be learned about such caregivers to determine exactly what their needs are. They will need new supports which as of yet are largely unidentified and untested. Charting new waters, the Child Development Support Corporation, a resource and referral agency in New York which also functions as a payment agency, mails out a quarterly newsletter developed specifically for regulation-exempt child care providers. Called "Caring for Kids: A Newsleaf for Informal Providers," it covers such areas of interest as nutrition, developmentally appropriate activities and health and safety tips. The newsletter is a means of keeping the providers informed and connected to the agency which can offer them additional resources.

Several states, including Alaska, New Jersey, and Nebraska, as well as several Tribes have provided either reimbursements or actual equipment and supplies to enable providers to meet basic funding requirements. For example, Nebraska offers up to $100 (out of CCDBG and limited to the availability of funds) to legally exempt providers to purchase: mats, cots, playpens, cribs, bumper pads, first aid kits supplies up to $25, electrical outlet covers, telephone and deposit, smoke alarms, lock boxes, locks, and toys. These funds are available upon presentation of receipts and the filling out of a form. Alternatively, states might purchase certain items in bulk to give or lend. Such efforts should look to private sources as well. In some instances, due to short stays of children with particular providers, Tribes have made some of this equipment (as appropriate) available to the families rather than the providers.

A third group of providers are those who consider themselves to be similar to regulated providers and who wish to take advantage of resources, materials, equipment, training and the like available to the regulated provider community. This would entail offering regulation-exempt providers the same opportunities as are now available to regulated providers. In other instances it simply means making no distinctions to begin with.

Reaching Providers Through Parents

In many instances, particularly when payment agencies pay parents directly, there will be limited contact by the payment agency with the regulation-exempt family child care provider. Consequently, it is important to develop creative strategies targeted at parents which can influence and improve the quality of care offered by the provider.

Self-Assessment by Those Who Are Regulation-exempt and Receiving Subsidies

Recent research has underscored the relationship of "intentional" providers to the quality of care offered. These intentional providers are "committed to caring for children, ... seek out opportunities to learn more about child care and education, and ... seek out the company of other providers to learn from them" (Galinsky, *et al*, 1994). This research has paralleled increasing use of self-assessment tools in projects undertaken to recruit regulated family child

care providers—helping providers better reflect on whether becoming a family child care provider is an appropriate choice and helping them better understand what they can expect.

It may be useful to begin developing self-assessment tools which could be used by regulation-exempt family child care providers planning on providing care and receiving subsidies to help them reflect on whether caregiving is appropriate and helping them better understand what is expected. Such tools would not be identical to existing tools used in the recruitment of providers seeking to become regulated. To give just one example, because reliability of care is essential for parents to succeed in welfare to work programs and continuity of care is important for the children, such a tool could ask providers questions about their ability to commit to caregiving; such commitment tends to be assumed for those seeking to become regulated.

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CHAPTER EIGHT

RECOMMENDATIONS*

Making recommendations about an issue this complex—tied as it is to such highly charged issues as parental choice, quality and cultural sensitivity, coupled with the vastly different conditions which exist in each of the states—is a difficult, even dangerous undertaking. So this preliminary effort is done with caution and circumspection.

We make the following recommendations with the understanding that not every recommendation would prove beneficial in every state. Wherever possible, conditional language is used as appropriate to recognize varying situations.

In developing these recommendations we have tried to keep five basic overarching principles in mind. They are:

- ***Parents should be able to access the widest range of care to meet their families' needs, regardless of income and consistent with the second principle, noted below.***

- ***All children should be cared for in safe, nurturing environments with competent caregivers. Child care should promote optimal development to the greatest extent feasible.***

- ***No person should be forced or pressured into providing care for children.***

- ***No parent should be forced or pressured into leaving his/her child in a child care setting which the parent believes would compromise the child's well-being.***

- ***Caregiving must be valued. Caregivers should be compensated decently and compensation should adequately reflect levels of training and skill.***

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* For readers turning to this chapter first, it should be read in conjunction with Chapters Six and Seven which more generally describe necessary supports to parents and providers.

Recommendations for Regulatory Agencies

1. Expanding and Maintaining Regulatory Coverage

a. **Consider expanding regulatory coverage.** Consider the expansion of regulatory coverage to encompass the widest number of caregivers, and exempting only care provided by close relatives, with some limits on numbers, even in relative care, if infants are present. Determining which relatives to cover and which to exempt may prove nettlesome; while narrowing the class exempted makes sense from a protection standpoint, some have reasonably argued that cultural differences in determining who constitutes a close relative should be better recognized.

The expansion of regulatory coverage should be considered particularly when a regulatory system is equal to or better than any funding requirements imposed, when it does not impose insurmountable barriers to entry for small providers, and when the threshold for triggering regulation for family child care is currently high.

Benefits would include enabling virtually all providers to be part of "the system," with opportunities to promote quality and decrease isolation. Providers would also be better able to access the food program. Moreover, such an expansion would have the effect of benefitting a large group of children, those who are not eligible for public subsidies as well as those who are.

Difficulties would include the willingness or capacity of a state to come up with the monies necessary to expand regulatory coverage and to assure that regulatory enforcement is not diluted as regulatory coverage is extended to more providers.

b. If expanding coverage within the existing regulatory system is not feasible, **consider expansion of some form of regulatory coverage**, so that for example, in a state with mandatory **licensing** for over four children, providers with four or fewer children could be required to **register**. Alternatively, voluntary licensing or registration could be made available. While states with voluntarily systems generally do not end up regulating large numbers of providers, "voluntary" regulation could then become a condition of receiving public funding.

Benefits would include the opportunity for more providers to be part of the system, providing an ability to respond if care is judged to be substandard, and improved opportunities to be connected to training and support. Moreover, even without all the attributes of licensing, registered providers would likely be meeting higher standards than those imposed by the funding system. Such a recommendation may not be useful in states which have stringent funding standards and a weak regulatory scheme. For some providers, an incentive to become regulated would be that in most states a higher rate is paid for regulated care.

c. If expansion of the regulatory system seems out of reach, **consider incorporating funding requirements into the regulatory system**. For example, Ohio incorporates its funding requirements into its general regulatory scheme. Consequently, the licensing agency is the

enforcement mechanism for funding requirements, thereby placing the authority over unregulated care with those who have greater familiarity with child care settings. While this may be a case of mixing apples and oranges with possibly troublesome results, states might decide that this is workable. Moreover, this strategy could yield greater benefits if it ultimately created the will to expand coverage to all homes of this type rather than to just those receiving subsidies.

Determining which if any of the first three strategies is feasible in any particular state will turn on a number of factors, including the projected cost of expansion, any ability to utilize funds from outside the regulatory agency itself, political will, and the success of any or all of the following arguments:

- When funding requirements meet or exceed regulatory requirements, there seems less "big picture" sense in not regulating it. (However, it is important to note that unless the third option is chosen, expansion of coverage will include not only those subsidized but those who are not.)

- Each state will have to make an assessment of the amount of administrative savings which would accrue in not imposing specialized funding requirements and the added cost of expanding coverage on the regulatory side.

- Each state will also have to determine whether sources for expanding coverage are available and from what sources, since it may not be possible to just simply transfer resources from the "funding" side to the "regulatory" side and as is often the case, the availability of dollars may be driving decisionmaking far more than what makes sense.

- In all cases, before determining how far coverage should be extended, it is important to review existing exemptions and re-determine whether such exemptions are justified.

d. **Protect the existing regulatory scheme from increased exemptions for family child care**. Proposed welfare changes, at both the state and federal levels will exert increased pressure on states to expand the supply of child care, with little concern as to whether such care is regulated or not. Indeed, this pressure may be coupled with longstanding deregulatory and anti-government fervor resulting in a rather formidable push for increased exemptions. At a minimum existing regulatory coverage must be maintained.

2. Provide Resources and Assistance to Enable More Low Income Providers to Enter the Regulatory System

While we do not have much research, anecdotally we know that many low income children receive care from other low income individuals. While not every low income regulation-exempt family child care provider will desire to become regulated, there are two groups who are well worth attending to.

The first group are those who are completely unfamiliar with regulation *per se*, are unaware of what regulations require, and lack information about the potential benefits of becoming a

regulated provider. These issues have particular impact on caregivers who are non-English speaking, who have newly immigrated, and/or who are wary of contact with governmental entities, but such concerns are not limited to these groups. To respond, regulatory agencies must consider whether they are adequately staffed to respond to questions in other languages, whether applicants will encounter difficulty with inspectors who do not speak their language, whether regulations are available in languages other than English, what level of literacy materials are available at, etc.

The second group of providers are those who are interested in becoming regulated but lack the resources to meet regulatory (whether registration or licensing) requirements.
Some strategies to deal with this come directly from the regulatory authority, such as a provision found in Oregon's registration requirements which allows a waiver of the fee for registration for those whose incomes are below 100% of the Federal Poverty level.

In other instances, resources are made available so that providers are able to access free or low cost training which may be necessary to meet regulatory requirements. There also may be providers who experience difficulties with the manner in which the regulatory process operates. For example, if receiving a license is a very lengthy process, regulators might consider the development of provisional or temporary regulation or incorporate regulations which can be met within a certain amount of time of once operations begin.

Other strategies will require the regulatory agency to coordinate its efforts with any available funding sources, including both public and private, to enable prospective providers to secure any equipment, training, materials necessary to meet regulatory requirements.

3. Expand the Availability of Regulated Care Options Which Meet the Needs of Families Accessing the Subsidy System

While there are a variety of reasons why parents receiving subsidies choose regulation-exempt care, we do know that some are choosing this form of care because they have few choices in the regulated market given the hours they work or the special needs of their children.

For many low income workers, "nonstandard" hours—part-time, graveyard, night, weekend, split, overtime and rotating shifts—are the standard hours. Current welfare proposals requiring more individuals to work coupled with the nature of the employment available to low wage workers will only increase the numbers of workers requiring this type of care.

While much of the lack of availability for this type of care has to do with the availability of resources to fund it, some of the difficulties are attributable to the lack of attention paid to these types of care by regulators. Very few states have developed regulations which specifically focus on night-time care; day time regulations may be both onerous and inappropriate in the night-time context.

Similarly, many parents receiving public subsidies are in jobs with no flexibility when their children become sick. Several states have developed regulations for serving mildly ill children which can be a critically important option for these parents.

Even if a complete set of new regulations are not drafted to focus on specialized forms of care it is essential that regulators review their regulations with an eye towards accommodating these needs to determine if waivers or exceptions may be necessary to make that form of care more widely available consistent with the safety of children.

Many low income parents also struggle with finding appropriate care for their children with disabilities. Again, care for these children may still be more difficult to access in the regulated market, notwithstanding the passage of the Americans with Disabilities Act (ADA). However, it is essential that regulators review existing regulations to ensure that state regulations are in compliance with ADA and beyond that to ensure that they are not setting up any unnecessary barriers to the provision of care to children with disabilities. Examples would include regulations which presumptively exclude children with disabilities unless proven otherwise; gross generalizations about the need for additional staff irrespective of the child's disability; regulations which unduly limit the ability of providers to undertake necessary health procedures; regulations which unduly limit or too narrowly define those who are nonambulatory, etc.

4. Increase Communication Between Child Care Regulatory Personnel and Child Care Subsidy Personnel; Participate in Any State Efforts to Create Seamless Child Care Systems

In many states, the responsibility for child care regulation and child care funding is bifurcated, with two or more departments involved. In other states, while the responsibility is within the same agency, there is little interchange between the subsidy side and the regulatory side. Both groups could benefit from understanding more about the operations of the other and how each impacts the other. The public could benefit from the development of joint materials which explain the child care system as a whole.

In the same vein, discussions in the states about creating seamless systems of child care too frequently have focused on bringing together disparate funding streams and funding agencies but have failed to invite regulatory agencies—agencies which also have a stake in the outcome and knowledge of the service—to be part of the discussion. Regulators themselves often need to understand why they should care about the child care funding system. As this report has hopefully made strikingly clear, there is a danger in looking at any part of the child care system in an isolated fashion. If the goal of seamlessness is primarily to benefit families and not just do to what works for particular departmental budgets, regulatory agencies must be full partners in envisioning a child care system which will work for the 21st Century.

5. Continue to Develop an Increased Public Understanding of the Value of Regulation

Increased public support, translated into financial support for child care regulatory agencies, will only occur with increased visibility of regulation's existence and value. Efforts should be made

to do this, including support of the National Association of Regulatory Administrators (NARA) which trains regulators and has paid increasingly greater attention to child care issues in the last several years. Information must be made available to the public explaining the importance of regulation, any benefits it offers providers, and its relationship to quality care.

6. Sponsor Zoning Preemption Protection

Currently, 17 states have zoning preemption protection, and we recommend that more follow suit. We also recommend that zoning preemption cover *all* care occurring in residential settings with limited numbers of children, regardless of the care's regulatory status.

Recommendations for the Administration of Public Child Care Subsidies

1. **Review existing funding requirements. Re-determine what requirements are appropriate and enforceable.**

First, consider whether the funding agency could support (politically and/or financially) expanded coverage in the regulatory realm, easing its own administrative burden.

Second, assuming that there will continue to be some level of regulation-exempt family child care in the states, states will need to review the basic funding requirements they have imposed to determine if they are appropriate to the setting, serve to protect children from harm, promote optimal development, and are educational and/or enforceable. Depending on the number of children exempt from regulation, does the setting seem more like a parent's home or a group care setting? If more like a parent's home, it will be useful to consider the main causes of childhood injuries and deaths in home settings, not just group child care settings, to determine which requirements make the most sense.

Develop across the board requirements for all funding streams wherever possible; however, this should not mean moving to the lowest common denominator. Our recommended list of basic funding requirements include:

- a modest amount of training
- evidence that the provider is in good health
- enforcement
- regulatory check
- authorization for care in a medical emergency
- 18 years of age
- criminal and child abuse registry check
- firearms and other weapons locked and inaccessible
- a list of basic childproofing tasks to be completed in a home, and a bag of basic childproofing equipment
- a list of when handwashing is required and a user-friendly poster of how handwashing should be done
- no smoking provisions
- maintenance of operable smoke detectors and fire extinguishers
- operable telephone with emergency numbers posted, including the parent's telephone number, along with a first aid kit
- nutritious snacks and meals
- no corporal punishment
- provision of information on other relevant laws impacting anyone caring for children
- unlimited parental access
- parental sign-off
- copy of requirements

(For more detailed discussion of the rationales for each of these requirements and the range possible within any single requirement, see Chapter Three.)

Providers need clear guidance from the agency or agencies administering public subsidies as to which funding "requirements" are "enforceable" and what "enforceable" actually means. In other words, under what circumstances could a provider actually be denied payment for services? Is there a viable complaint system? Is there an opportunity to correct a deficiency? Is there any appeal? In reviewing the documents made available by the states to regulation-exempt providers who receive subsidies, many were less than clear about which standards were simply precatory and which were required for payment. Standards concerning payment processing, prevention of fraud, etc. were often far more detailed than any standards concerned with the health and safety of the children in care. User friendly booklets outlining requirements are especially helpful. (In addition to information about health and safety requirements, providers should be informed of the tax consequences of their participation in child care subsidy programs. While obviously not a health and safety requirement, such a requirement not only informs them of their tax liability, but conveys the "formality" that receiving a subsidy for taking on the responsibility of caring for a child creates.)

All this said, once it is understood what is required, providers also can be encouraged to learn about recommended practices as well. Payment agencies can use the opportunity created by the necessity of reviewing requirements to provide information, material and/or resources regarding issues of child health, safety and development which go beyond requirements to providers receiving public subsidies. (See #3 below.)

2. **Assist providers in meeting basic requirements.**
Several states, including Alaska, New Jersey, and Nebraska, as well as several of the Tribes have provided either reimbursements or actual equipment and supplies to enable providers to meet basic funding requirements. For example, Nebraska offers up to $100 (out of CCDBG and limited to the availability of funds) to legally exempt providers to purchase: mats, first aid kits supplies up to $25, electrical outlet covers, cribs, bumper pads, telephone and deposit, cots, smoke alarms, lock boxes, playpens, locks and toys upon presentation of receipts and the filling out of a form. Alternatively, states might purchase certain items in bulk to give or lend.

3. **Assist providers in going beyond basic requirements.**
Devote some portion of "quality dollars," wherever and whenever available, to improving the quality of regulation-exempt family child care by making at least some of what is funded pertinent and available to exempt caregivers and/or by spending some portion of the money on meeting specific needs of exempt providers. For example, California allocated a portion of its quality dollars to the California Child Care Resource and Referral Network to produce materials for parents and exempt providers. (See Chapter Four, section on California.) Since these dollars are scarce, do more to try to leverage private dollars with public funds.

When regulation-exempt providers fill out forms for payment, they should be given the opportunity to check a box which would allow for their name and address to be shared with the local child care resource and referral agency or other appropriate organization for the purpose of being notified about training activities and other resources.

4. **Consider the Development of a "Child Care Acknowledgment" for Parents Receiving Subsidies**

To the extent that parents are not well-informed about the child care subsidy system and the difficulty ensuring that all subsidy personnel are properly trained (see Recommendation number 5, below), states should consider the development of a statement for parents to sign, acknowledging that: (1) they may choose any type of legal (regulated or regulation-exempt) child care arrangement (with any constraints on choice described), (2) that care will be paid for at the rate described, (3) that they can change providers at any point the arrangement is no longer suitable, and (4) indicating a number or numbers parents can call for help in making child care choices and arrangements. A copy of this acknowledgment would be given to the parents to keep.

5. **Administration of Subsidies Must Be More Family-Friendly.**
As mentioned in Regulatory Agency recommendations, Section C, parents, in some instances, are choosing regulation-exempt care because they have difficulty accessing child care during the hours they need care. While this is a partly regulatory issue, it is also an issue for the agencies administering subsidies. The agency charged with designing the system for providing child care subsidies must do its utmost to make programs really workable for families. This will mean giving objective information to parents about child care in ways and at times which are useful. (For more discussion, see Chapter 6.) Staff must not "steer" parents to "cheap" care, "free" care, or "relative" care, etc. This will require significant improvements in the training of agency staff. To be most useful to parents, subsidy program staff must be trained in all aspects of child care, including child care choices, the child care system, child care support organizations, and the like. Moreover, there should be cross-training of local payment agency and local child care support agency staff, such as child care resource and referral agencies. It will also mean extending greater latitude in decisions about what hours of care are necessary to enable parents to work and children to develop, in welfare-to-work programs. We cannot continue to have situations where children are regularly expected to leave a child care program during the middle of nap time because the public subsidy, tied only to the parents' working hours, makes no allowance for the needs of children. It will mean giving parents adequate time to make their child care choices before clocks begin ticking or sanctions are imposed. It also means that caregivers can be changed as frequently as necessary without penalty. In other words, a thorough and careful review of the manner in which the subsidy system operates to increase the difficulty of establishing appropriate child care arrangements must occur.

6. **Assure the adequacy of payment rates and methods for regulated and regulation-exempt providers to ensure parental choice.**

In order to ensure meaningful parental choice, payment rates must be adequate. This will require that regulated providers be sufficiently compensated to acknowledge that their investment in meeting regulatory standards costs them something and is valued. It will also require that compensation for regulation-exempt providers must not be so low as to: devalue caregiving completely, limit the availability of this type of providers for a parent who wants this choice,

nor cause the steering of parents in this direction because of the desire to stretch subsidy dollars further by paying for only "cheap" child care. Payment methods as well as rates have the potential to strongly influence the type of care purchased. If payments are made as reimbursements rather than in advance and if payments are made only to parents rather than providers (regardless of whether the care is regulated or not) it is more likely that regulation-exempt providers rather than regulated providers will be willing to provide services. Consideration can be given to writing two party checks or issuing checks made out to parents but which are sent directly to providers. Finally, co-payments paid by parents should not be based on a percentage of the cost of care, but family income.

Recommendations for Child Care Resource and Referral Agencies, Other Child Care Support Organizations and Child Care Advocates

1. **Understand the regulation-exempt family child care landscape.**

Undertake research or use research (on the issues detailed in "Recommendations for Researchers") to develop a basic sense of who is using regulation-exempt family child care and who is providing it. Once this information is available, there will be a greater ability to determine how to do outreach, what mechanisms for outreach and support might be most effective, possible interest of providers in receiving assistance to become regulated, etc.
If there is regulation-exempt family child care, develop a matrix which compares funding requirements with regulatory requirements. Do they differ? How? Should differences continue to exist? Could the scope of regulation be expanded?

2. **Examine the state's regulatory system to determine if it might be altered in some ways to make regulated family child care more available to parents using subsidies.**

- Are there regulatory impediments to offering nonstandard hours care?
- Are there regulatory impediments to offering care for children with disabilities? Care for children who are mildly ill?
- Are the barriers to entry into the regulated system too high?
    - Are provisional or temporary licenses available?
    - Can certain requirements be met within a certain time frame *after* being given permission to operate?
- Are waivers (or funds) available to defray the cost of any licensing inspections or any necessary equipment or materials?
- Is it reasonable to consider another tier to the regulatory system to expand the scope of regulation?

3. **Examine the state's funding system and its health and safety requirements for purchasing regulation-exempt family child care.**

- Identify any aspects of the funding system which are unnecessarily driving parents toward the choice of unregulated family child care, so that they might be changed.

- Are the funding requirements which are imposed sufficient and appropriate? In what ways is the regulation-exempt family child care home like a parent's home. In what ways is it like other group care situations? If the number of children in care is very small (more like a home), determine the main causes of childhood injuries and deaths in home situations to determine which health and safety requirements and supports make the most sense.

- Is it clear which requirements can result in plans of correction? withdrawal of funding? Is there a complaint process? Are complaints maintained and used?

• Are there resources available to help providers meet funding requirements? If not, where in the public or private sectors might they be gotten? Advocates should look beyond typical child care funds, and explore corporations and other governmental agencies which may have untapped resources or resources which could be redeployed with greater impact.

4. **Provide essential support to parents directly or indirectly by helping parents advocate for their own needs.**

Assist parents in understanding the differences between regulated and regulation-exempt care, particularly regulation-exempt care subject to funding requirements. Clear and appropriate information is essential. If parents select regulation-exempt family child care, do they understand what funding requirements are imposed and what they can do if they are unhappy with the care provided?

Identify further efforts to help parents maintain stable arrangements and improve the quality of care in situations they have selected, including information about other community resources that might assist the providers they have chosen and effective strategies for communicating with providers.

Greater outreach to parents on all these issues is essential for informed choice and successful child care arrangements.

5. **Provide essential support to providers directly or indirectly by helping providers advocate for their own needs.**

Provide materials and training tailored to the needs identified by the providers themselves as well as by the R&R. Consider the development of peer support groups, mentors, and outreach workers. Offer providers access to health and safety equipment and materials, toys and equipment and information about other community resources useful to them and the families they are serving.

6. **Develop supports that work for parents and providers together.**

Consider the development of resource centers open to parents and providers. For example, the Swedes have developed a program known as öppen förskola (open preschool) which is open a few times a week to <u>both</u> parents and family child care providers. The space is a rich, child-friendly environment with children's toys, equipment and materials. A teacher of child development is employed to organize activities and to give parents and caregivers help and advice. Re-evaluate parent education and family support programs to determine if they might also be directed toward regulation-exempt care and/or if parents and providers could be approached as a team.

7. **Advocate for resources for Resource and Referral agencies and other child care support organizations to take on the functions listed above.**

Recommendations listed in numbers 4,5 and 6 above will only occur if additional resources are made available to R&Rs and other child care support organizations, since most of these agencies are inadequately funded for the services they already offer. They must not be forced to support one group of providers at the expense of others. Resources which are clearly earmarked for the purpose of assisting regulation-exempt providers can also send a message that this type of care deserves attention.

8. **Advocate for improvements at the local, state and federal levels.**

Improvements at each of these levels is detailed in other recommendation sections.

Recommendations for Researchers

Too little continues to be known about virtually every aspect of regulation-exempt family child care, particularly in the public subsidy context. Consequently, this report is only exploratory, preliminary and suggestive, given the dearth of hard data on the concerns which prompted our interest.

While many of the following issues pertain to all forms of regulation-exempt child care, for this report we mention only those issues pertaining specifically to regulation-exempt family child care; many other issues would arise if the examination included other forms of regulation-exempt care.

Answers to these questions would not only tell us more about what the care is like that is currently being provided, but could identify issues which need attention, and perhaps most importantly, identify the concerns raised by the providers and parents themselves thereby laying the groundwork for these concerns to be addressed.

More in-depth research is needed to:

1. **Learn more about the people providing regulation-exempt family child care**. Are they friends, acquaintances or relatives? How long have they known the family? Obtain basic demographic information, such as age, ethnicity, etc.

What is their income level? How does their income compare to the family to whom they are providing service? Do they have any previous experience or training caring for children?

Why are they providing the child care? Are there recognizable subsets of regulation-exempt family child care providers who should be approached differently? What supports do the providers themselves identify as being needed to enable them to provide optimal care? Would they have an interest in being regulated? How long have they already provided care? How long do they intend to provide child care? Would they be interested in training? On what subjects? In what format?

2. **Learn more about the families selecting regulation-exempt family child care**. How did the parent decide to choose the provider? What considerations were primary? Is the provider related or not? What type of job does the parent have? What are the hours? How old is the child? Does the child have special needs? Obtain basic demographic information, such as age, ethnicity, language, etc. on the entire family.

3. **Learn more about whether the care meets the families' needs**. This would include studying the quality of care offered and its success in supporting family functioning.

4. **Learn more about strategies being used to support regulation-exempt family child care providers and the parents who use these arrangements**; evaluate the various strategies for efficacy; disseminate information on the most effective strategies.

5. **Learn more about the impact of regulation on supply and quality**. States which expand coverage should be examined more closely. States which already have eliminated regulation exempt family child care should also be examined with respect to supply and quality recognizing, of course, that regulation is only one factor which impacts these issues.

6. **Learn more about improvements in quality resulting from the CACFP and whether providers accessing the program through alternative approval mechanisms go on to become regulated.**

7. **Develop useful databases and/or develop useful data collection methodologies**.

In addition to in-depth research, more useful data collection is also necessary. When information is collected by the states about what forms of care are being used, distinctions are not currently made between family child care which is regulated versus care which is exempt. As a start, researchers could conduct some sample surveys which *do* make these distinctions. We would then have a better picture of how many such homes exist and how many families are utilizing them.

RECOMMENDATIONS FOR THE FEDERAL GOVERNMENT**

1. **Act as an accessible clearinghouse** on the funding requirements imposed by the states on all forms of exempt care as well as the materials developed by public and private entities related to regulation-exempt care.

2. **Support the continuation and expansion of "quality" dollars** and their use to include the needs of regulation-exempt providers.

3. **Identify resources outside of the child care federal funding stream,** such as Maternal and Child Health (MCH) and Centers for Disease Control (CDC) dollars, which could be used to support the needs of child care programs, which should include *all* providers. For example, materials on handwashing could be developed and tailored to home-based settings. Materials on lead in the home should also be made available to regulation-exempt family child care providers.

4. **Offer incentive grants to the states** to: expand regulatory coverage; support state regulatory agencies; support the infrastructure necessary to ensure that those needing and using subsidies will have child care choices.

5. **Make available research and demonstration grant money** to the states to be used in efforts to focus on this form of care. The Federal government's support, through the Child Care Improvement Grants, was responsible for some of most important, though minimal, research we have on these issues thus far. Explore the possible implications of encouraging the extension of "alternative approval" under the Child and Adult Care Food program. Much more examination is required before any action is taken on this particular issue.

6. **Provide support for regulatory research** which could help identify those features of health and safety which are the most likely to reduce harm and the most likely to promote optimal development while being amenable to regulation.

7. **Poll the states and provide technical assistance** to them on the areas they identify as being critical to their ability to serve children in regulation-exempt family child care settings.

8. **Support a public media campaign on quality child care** which would include some discussion of issues related to parental choices of regulated and regulation-exempt care

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** As this publication goes to press, federal welfare reform legislation is being considered which, if passed, will have profound impacts not only on the use of regulation exempt family child care, but also on what authority the federal government will have in shaping states' policies. Most of what is recommended here should and could be pursued whether this legislation is enacted or not.

9. **Convene a national symposium** with state subsidy administrators, state regulators, child care resource and referral staff, researchers and advocates to engage in further work on these issues.

10. **Develop linkages between other federal programs,** such as home-based Head Start and Family Support and Preservation programs, **and regulation-exempt family child care** funded through federal subsidies, which would allow resources and support now being directed at parents also to be directed in some instances to regulation-exempt family child care and/or "shared" by parents and regulation-exempt providers in a "team" approach.

11. **Begin to collect data which separates regulation-exempt family child care from both family day care and relative care** (this should be done in addition to existing categories with some mechanism to prevent duplication); require states to report types of care used for all federal funding streams. Baseline data and the ability to track these arrangements over time is important.

12. **Support the continuation and expansion of R&R services to assist parents in making responsible choices.** Funding should ensure that assistance is given to parents regardless of the type of arrangement being sought and assistance to providers should include *all* providers.

Recommendations for Local Government

1. **Assist in providing resources** for the training and support of all caregivers, particularly those subsidized by public dollars,whether regulated or regulation-exempt.

2. **Support the development of resource centers** at the local level, through child care resource and referral agencies, community-based organizations or local entities which are available to both parents and providers, which offer toy-lending, equipment-lending, book lending, child development consultation, and access to other resources. The Swedes have developed a program known as öppen förskola (open preschool) which is open a few times a week to both parents and family child care providers. A teacher of child development is employed to organize activities and to give parents and caregivers help and advice. Local parent education and family support programs should be re-evaluated to determine if these resources can also be directed at regulation-exempt providers and/or if parents and providers could be approached as a team.

3. **Eliminate zoning barriers** which make it difficult or impossible to establish small child care programs whether regulated or not.

RECOMMENDATIONS FOR FOUNDATIONS

1. **Support continued and expanded research in this area** as described in "Recommendations for Researchers."

2. **Support the development of new strategies of outreach and support to parents and providers** to improve the health, safety and development of children in these arrangements; evaluate the efficacy of the strategies and support the dissemination of information about effective strategies. A variety of strategies offered by a varies group of agencies/organizations should be supported.

3. Given the scarcity of "quality" dollars at the federal and state levels, **foundations should support the development, printing (as appropriate) and distribution of materials** for parents choosing among all forms of care and selecting regulation-exempt family child care as well as caregivers providing regulation-exempt care.

4. **Support research which looks specifically at the issues engendered by relative care and in-home care.**

APPENDIX A: List of Invitees

The following persons were invited to a symposium on regulation exempt child care sponsored by Child Care Law Center in 1995:

Gina Adams/Helen Blank
Children's Defense Fund

Joan Benso*
PACCA

Charlotte Brantley*
Child Care and Development
TX Department of Human Services

Ann Collins*
Natl Center for Children in Poverty

Rory Darrah*
County of Alameda, California

Sherry Deane
Natl Black Child Development Institute

Deborah Eaton*
Natl Association for Family Child Care

Richard Fiene
Pennsylvania State University

Ellen Galinsky
Families & Work Institute

Kitty Lake*
Child Care Division/Employment Department

Linda Kills Crow
Child Care Bureau

Bruce Liggett*
Department of Economic Security

Linda Locke*
Community Coordinated Child Care

Joan Lombardi
Child Care Commissioner, ACF

David Mack*
Hawaii Department of Human Services

Anne Mitchell*
Early Childhood Policy Research

Gwen Morgan/Kathy Modigliani*
Wheelock College

Michelle Piel*
Child Care and Development
IL Department of Public Aid

Marta Rosa*
Child Care Resource Center

Patty Siegel*
CA Child Care Resource & Referral Network

Louise Stoney*
Consultant

* These persons actually attended the symposium.

The group provided input at the beginning of this project. They did not all review or formally approve the recommendations found in this report.

APPENDIX B: State-by-State Regulation Tables

State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
AL	Day care home	a family home which receives one child	yes	by blood, marriage or adoption: grandparent, brother/sister, stepbrother/sister, half-brother/sister, uncle/aunt and their spouses	licensing mandatory
AK	Family child care home	home where child care is provided for no more than eight children under the age of 12 including children related to the caregiver, statute requires those with five or more under age 12 unrelated to caregiver to be regulated	yes	any of the following relationships by marriage, blood or adoption: parent, grandparent, great grandparent, brother, sister, stepparent, stepbrother, stepsister, cousin, uncle, aunt, great-aunt, great-uncle, step-grandparent, niece, nephew or first cousin	licensing mandatory for five or more; licensing voluntary for four or fewer
AR	Day care family home	family home where one or more persons cares for six or more children from more than one family at a time	yes	any minor child related by blood, marriage or adoption to the owner or operator of the facility	licensing mandatory for six or more; registration voluntary for five or fewer
AZ	Child care group home	residential facility for not less than five children but no more than 10 children; provider's children not counted; can go to 15 to include related children	no (when for any form of compensation)		certification mandatory for five or more

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* Other than the provider's own children.

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
CA	Small family day care home	home which provides care to eight or fewer children including children under age of 10 residing at home; care for children of only one family in addition to provider's own is exempt	yes	spouse, parent, stepparent, son, daughter, brother, sister, stepbrother, stepsister, half-brother, half-sister, uncle, aunt, niece, nephew, first cousin or any such person of the preceding generation denoted by the prefix "grand" or "great" or the spouse of any of the persons specified in this definition, even after the mariage has been terminated by death or dissolution	licensing mandatory when caring for children from two families
CO	Day care home	a facility receiving two or more children not related to each other or children from more than one family; children received for care are not related to the caretaker and the care provided by the caretaker is for more than two full consecutive days on a regular weekly basis; providers' children under age 12 are counted in ratios	yes	related to the provider as the parent, grandparent, brother, sister, stepparent, stepbrother, stepsister, uncle, aunt, niece, nephew or cousin of the child by marriage, blood, court decree or adoption	licensing mandatory when caring for children from two families
CT	Family day care home	private family home caring for not more than six children, including the provider's children not in school full time; during school year three additional children who are in school full time allowed, including provider's own; if provider has more than three all allowed	yes	relative limited to any of the following degrees of kinship by blood or marriage to the child being cared for or to a parent of a child: child, grandchild, sibling, niece, nephew, aunt, uncle or child of one's aunt or uncle	licensing mandatory

* Other than the provider's own children.

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
DC	Child development home	a child development program provided in a private residence for up to a total of five children and infants; does not include caregiver's children who are 6 years old or older	yes	related includes any of the following relationships by marriage, blood or adoption: parent or stepparent, grandparent, brother, sister, stepsister or stepbrother and uncle or aunt	licensing mandatory
DE	Family Child Care home	family day care homes provide care, protection, supervision and guidance in private homes for one to six children, excluding care provided by relatives	yes	a person having any of the following relationships by blood, marriage or adoption between the caregiver and the child in care: parent, grandparent, great grandparent, brother, sister, aunt, uncle, stepparent, stepbrother and stepsister (cousin is not included)	licensing (actually self-certification with inspection) mandatory
FL	Family day care home	an occupied residence in which child care is regularly provided for children and which receives a payment, fee or grant for any of the children receiving care, whether or not operated for profit; applies to care for more than one unrelated family; various age configurations; total number of children in home not to exceed 10	yes	none	county determines whether licensing mandatory, if not family day care homes mandatorily register with the state

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
GA	Family day care home	private residence operated by any person who receives therein for pay for supervision and care fewer than 24 hours per day, without transfer of legal custody, three but not more six children under 18 years of age who are not related to such person and whose parents or guardians are not residents in the same private residence	yes	within second degree of consanguinity or affinity (grandchildren, nieces, nephews, first cousins)	registration mandatory for three or more children
HI	Family child care home	child care in any private home maintained by an individual which provides care to three and no more than six children during any part of a 24-hour day and where the relationship of child and family child care provider is not by blood, marriage or adoption	yes	by blood, marriage or adoption	registration mandatory for three or more children
IA	Family day care home Group day care home	private home of a person who cares for six or fewer children, including the provider's own children who are not enrolled in kindergarten or a higher grade level; the provider's school age children are not be included in the total facility providing child day care for more than six but less than 12 children, with no more than six children at any one time not enrolled in kindergarten or a higher grade level; the provider's school-age children are not included in the total	yes (for children attending kinder-garten - 5 years old by Sept. 15 - or a higher grade level)	by marriage, blood or adoption: a parent, grandparent, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin or guardian	registration voluntary for six or fewer children registration mandatory for seven or more

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
ID	Family day care home Group day care home	a home, place or facility providing day care for six or fewer children a home, place or facility providing day care for seven to 12 children	no		licensing voluntary for six or fewer certification mandatory at seven
IL	Family day care home	family homes which receive more than three up to a maximum of 12 children for less than 24 hours per day; number includes family's own children under age of 12; caring for children of a single household exempted	yes	any of the following relationships by blood, marriage or adoption: parent, grandparent, great-grandparent, great-uncle, great-aunt, brother, sister, stepparent, stepbrother, stepsister, step-grandparent, first cousin, uncle and aunt	licensing mandatory for four or more children
IN	Child care home	a residential structure in which at least six children (not including the children for whom the provider is a parent, stepparent, guardian, custodian or other relative) at any time receive child care from a provider	yes	any of the following relationships to an individual who is less than 18 by marriage, blood or adoption: parent, grandparent, brother, sister, stepparent, step-grandparent, stepbrother, stepsister, first cousin, uncle and aunt	licensing mandatory for six or more unrelated children
KS	Registered family day care home	may care for a maximum of six children, infancy to 16 years of age, with three of the six under 18 months of age; includes provider's own children under 12	yes	not considered family child care if only children who are related by blood, marriage or legal adoption to the provider are cared for	registration or licensing mandatory

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
KY	Certified small family day care home	does not apply to providers caring for their own children, related children (grandchildren, nieces or nephews) or children in legal custody of the provider and up to three unrelated children (four is threshold for certification; maximum is 10 including provider's own or related children)	yes	provider's grandchildren, nieces and nephews	certification mandatory for four to six children; certification voluntary for three or fewer
LA	Family child day care home	any place, facility or home operated by any institution, society, agency, corporation, person or persons, or any other group for the primary purpose of providing care, supervision, and/or guidance of six of fewer children	yes	none	registration voluntary for six or fewer
MA	Licensed family day care home	any private residence which, on a regular basis, receives for temporary custody and care during part or all of the day, children younger than 7 years old, or children under 16 with special needs; may not exceed six including participating children living in the residence; care of one child unrelated to caregiver and care is both informal and cooperative is exempted	yes	exempt if all children in care are related to the caretaker by blood, marriage or adoption	licensing mandatory
MD	Registered family child care provider	compensated out-of-home care given in a residence to any child by a person unrelated to that child for more than 20 hours per month	yes	related by blood or marriage to each child in care	registration mandatory

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative' provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
ME	option of either: Registered home babysitting service or Licensed home day care provider	regulation when three or more children, unrelated to the provider receive care and protection during the day for 'consideration' (generally money)	yes	a child's blood mother, father, brother, sister, grandparent, uncle, aunt, niece, nephew or first cousin; relatives by adoption are considered as blood relative; child's stepmother, stepfather, stepbrother, stepsister, step-grandparent and brother or sister of stepparent are relative by marriage	must choose either licensing or registration at three children
MI	Family day care home	a private home in which one but not more than seven minor children are received for care and supervision for periods of less than 24 hours, unattended by a parent or legal guardian, except children related to an adult member of the family by blood, marriage or adoption.	yes	any of the following relationships, by marriage, blood or adoption: parent, grandparent, brother, sister, stepparent, stepsister, stepbrother, uncle, aunt, cousin, great aunt, great uncle or step-grandparent	registration mandatory
MN	Family day care	day care for no more than 10 children at one time of which no more than six are under school age; licensed capacity includes all children of any caregiver when the children are present in the residence	yes	any of the following relationships by marriage, blood or adoption: parent, grandparent, brother, sister, stepparent, stepsister, stepbrother, uncle, aunt, child, niece, nephew; also includes a legally appointed guardian	licensing mandatory for children from more than two families
MO	Family day care home	child care program where care is given by a person licensed as a family cay care home provider for no more than 10 children not related to the provider for any part of the 24-hour day	yes	any of the following relationships by blood, marriage or adoption between the provider and the children in care: parent, grandparent, great-grandparent, brother, sister, stepparent, stepbrother, stepsister, uncle, aunt, niece, nephew or first cousin	licensing mandatory

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
MS	Family child care home	an occupied residence in which shelter and personal care is regularly provided for five or fewer children who are not related within the third degree computed according to the civil law to the provider who are under 13	yes	related within the third degree computed according to civil law to the provider	registration voluntary for five or fewer
MT	Family day care homes	a place in which supplemental parental care is provided to three to six children including the provider's children who are less than six years of age	yes	related by blood or marriage or under legal guardianshipl	registration mandatory at three children
NC	Child day care home	any day care program or child care arrangement wherein day care is provided on a regular basis of at least once per week for more than four hours per day for more than two children under 13 years of age, but not to exceed a maximum of eight children, with no more that five preschool-age children at any one time, wherever operated, and whether or not operated for profit; excludes operator's own school-aged children and school-aged children who reside at the location of the day care home	yes	parents, grandparents, aunts, uncles, brothers, sisters, first cousins, guardians or full-time custodians	registration mandatory at three children
ND	Family child care	fewer than six children and no more than four under 24 months of age including the provider's own children (licensed family child care is five to seven plus two school age during the school year)	no		registration voluntary for five or fewer

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
NE	Family child care home I	a private home where care may be provided for four or more children from different families with a maximum of eight mixed-age children, plus two additional school-age children	yes	own children and grandchildren only	licensing mandatory at four or more children; licensing voluntary for fewer than four
NH	Family day care home	an occupied residence in which child day care is provided for less than 24 hours per day except in emergencies for four to six children for one or more unrelated families; the six children shall include any foster children residing in the home and all children who are related to the caregiver except children who are 10 years of age or older	no		licensing mandatory at four children
NJ	Family day care	the private residence of the family day care provider in which child care services are provided to no fewer than three and no more than five children at any one time for no fewer than 15 hours per week, except that the Division shall not exclude a family day care home with fewer than three children from voluntary registration			registration voluntary for fewer than six

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
NM	Family day care home	in a private dwelling, provides care, services and supervision to at least five but no more than six children	no		licensing mandatory at five children
NV	Family home care	any facility in which the licensee regularly provides care without the presence of parents for at least five and not more than six children	no (only provider's own children exempt)	exempt if all children in care are related within the third degree of consanguinity to the caretaker	licensing mandatory at five children
NY	Family day care home	a family home which is a personal residence and occupied as a family residence which provides child day care on a regular basis for more than three hours per day per child for three to six children for compensation or otherwise, excluding provider's own children who are in kindergarten or a grade level higher	yes	parent, stepparent, guardian or relative within the third degree of consanguinity of the parents or stepparents of the child (includes grandparents of the child; great-grandparents of the child; aunts and uncles of the child, including the spouses of the aunts and uncles; great-aunts and great-uncles of the child, including the spouses of the great-aunts and great-uncles; siblings of the child; and first cousins of the child including the spouses of the first cousins)	registration mandatory at three children

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
OH	Type A home	a permanent residence of the administrator in which child care is provided for seven to 12 children at one time or a permanent residence in which child day care is provided for four to twelve children at one time if four or more children at one time are under two years of age; provider's children are counted if on the premises and under 6	no	for "limited certification" (not exemption) purposes: great grandparent, grandparetn, aunt, uncle, siblings	licensing mandatory for seven or more certification mandatory for receipt of public funds
	Certified Type B family day care home	permanent residence of a provider in which child day care is provided for one to six children (and in which no more than three children are under two) which receives public funds remuneration wholly or in part with federal or state funds distributed by the Department of Human Services	relative care must meet "limited certification" reqts		limited certification or provisional limited certification for relatives' receipt of funds
OK	Family day care home	family home which provides care and protection for seven or fewer children for part of the 24-hour day	yes	a person in any of the following relationships whether by marriage, blood or adoption: parent, grandparent, brother sister, stepparent, stepsister, stepbrother, uncle, aunt, cousin	licensing mandatory

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
OR	Registered family day care home	any home in which an applicant has been notified of registration by the Child Care Division. Registration is required for persons who provide child care for more than 70 days per year and to more than three children from more than one family at any one time, other than the person's own children	yes	parent, guardian, person acting in the place of a parent or provider who is related to the child care children by blood, marriage or adoption	registration mandatory at children from two families; registration voluntary, available for those not required
PA	Family child care home	a home in which child day care is provided at any one time to four, five or six children unrelated to the operator	yes	parent, stepparent, grandparent, or foster parent	registration mandatory at four children
RI	Certified family day care home	any home other than the child's home in which child day care in lieu of parental care and/or supervision is offered at the same time to four or more children who are not a relative of the caregiver	yes	any of the following relationships by marriage, blood or adoption even following the death or divorce or a natural parent: parents, grandparents, brother, sister, aunt, uncle and first cousin	certification mandatory at four children; certification voluntary for homes caring for less than four unrelated children

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
SC	Family day care home	an occupied residence in which child day care is regularly provided for no more than six children unattended by a parent or legal guardian, including those children living in the home and children received for day care who are related to the resident caregiver	yes	any of the following relationships by marriage, blood or adoption: parent grandparent, brother, sister, stepparent, stepsister, stepbrother, uncle, aunt, cousin of the first degree	registration mandatory at children from two families
SD	Family day care	provision of regular care and supervision of no more than 12 children including provider's own children who are under age 6 years for part of a 24-hour period as a supplement to regular parental care	no		licensing mandatory for 13 or more children; certification voluntary for 12 or fewer

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
TN	Registered family day care home	private residence of a provider of child care for no more than four unrelated children; license for those serving five to seven (plus five additional related children under age 9; those more than 9 years of age excluded)	no (except when have a license, can exempt up to five related children under age 9 and all children more than 9 years of age)	any children under the age of 9 of the following relationship by marriage, blood or adoption: children, stepchildren, grandchildren, siblings, step-siblings, nieces and nephews of the primary caregiver	licensing mandatory for five or more; registration voluntary for four or fewer
TX	Registered family home	caregiver takes care of children in her home; and takes care of no more than six children under age 14, plus no more than six additional school-age children. The total number (counting her own) is no more than 12 at any time	no		registration mandatory at four children; voluntary registration available for those not required
UT	Family child care	child care within a family residence that provides care for four or more children but less than seven children at any given time	yes	parents, legal guardians, grandparents, brothers, sisters, uncles or aunts	licensing mandatory at four children

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
VA	Family day home	a child day program offered in the residence of the provider or the home of any of the children in care for one through 12 children under the age of 13, exclusive of the provider's own children and any children who reside in the home, when at least one child receives care for compensation; effective July 1, 1996, family day homes serving six to 12 children, exclusive of the provider's own children and any children who reside in the home, shall be licensed; no family day home shall care for more than four children under age 2, including the provider's own children and any children who reside in the home unless the family day home is licensed or voluntarily registered registered family day home means any family day home which has met the standards for voluntary registration (five or fewer, effective 7-1-96)	yes	where all children cared for are grandchildren of the provider	registration voluntary for five or fewer
VT	Family day care home	children's day care service provided in the registrant's home for children from more than two families other than their own; may provide care to six children at any one time and in addition to the six may care for up to four school-age children for not more than four hours daily per child	yes	children, grandchildren, great-grandchildren, stepchildren of the registrant	registration mandatory at children from three families

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
WA	Family child care home Family child day care home	a facility in the family residence of the licensee providing regularly scheduled care for 12 or fewer children, within a birth through 11 years range exclusively, for periods less than 24 hours means the same as "family child care home" and "a child day care facility, licensed by the state, located in the family abode of the person or persons under whose direct care and supervision the child is placed, for the care of 12 or fewer children, including children who reside at the home"	yes	(i)any blood relative, including those of half-blood, and including first cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great or great-great; (ii)stepfather, stepmother, stepbrother and stepsister; (iii)a person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law; (iv)spouses of any persons named in (i), (ii), or (iii) of this subsection (4)(a), even after the marriage is terminated; or (v)"extended family members," as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of 18 and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin or stepparent who provides care in the family abode on a 24-hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4)	licensing mandatory for any non-related person caring for more than one family's children certification voluntary for those not required

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State	Official name for smallest form of regulated family child care	Definition of this form of care	Relative* provider exemption? (related to all children in care)	Definition of relatives exempted	Form of regulation, voluntary or mandatory?
WI	Family day care	a place where a person, other than a parent, relative or guardian, provides care and supervision for four to eight children under 7 years of age for less than 24 hours a day and for compensation	yes	provider's natural or adopted children, stepchildren, grandchildren, brothers, sisters, nephews, nieces, uncles and aunts	licensing mandatory for four or more children
WV	Family day care home	nonresidential child care provided for compensation in a home other than the child's own home; provider may care for four to six children, including children who are living in the household who are under 6 years of age; no more than two under 24 months	yes	persons providing family day care solely for children related to them are exempt	certificate of registration mandatory at four children
WY	Family day care home	a day care facility in which care is provided for three, but no more than six, unrelated children for part of a day in a home setting; includes the provider's own preschool children	yes	a)any blood relative, including those of half-blood: first cousin, nephew, niece and persons of preceding generations designated by the prefix grand or great-great b)stepmother, stepfather, stepbrother and stepsister c)persons who legally adopt a child, as well as the natural and other legally adopted children of such persons d)spouses of any person mentioned above are considered relatives even though the marriage may be terminated by death or divorce	certification mandatory for three or more

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APPENDIX C: Health and Safety Requirements

California Department of Education
Child Development Division

PAYMENT AUTHORIZATION PROCESS FOR PARENTS, GUARDIANS, AND LICENSED-EXEMPT CHILD CARE PROVIDERS

A. PAYMENT AUTHORIZATION

STEP #1

Parent is certified to be eligible for child care and development services by the Alternative Payment Program and selects a child care provider. If the parent selects an in-home or licensed-exempt family child care provider, services and payment must be authorized as soon as the contractor has collected the following identifying information:

- Provider's name and address
- Provider's date of birth
- Provider's social security number
- Amount of contractor approved services the provider is authorized to provide
- Rates (hourly/daily/weekly/monthly) to be charged for the service.

The basic provider identifying information along with the amount of services to be provided and the rates to be charged for the service is required to initiate services and payments. Services and payment are authorized as soon as the above information is collected. The identifying information must be included on the Child Care Certificate that is given to the parent by the contractor.

This ends the payment authorization process for grandparents, aunts and uncles.

B. HEALTH AND SAFETY REQUIREMENTS

(not required for grandparents, aunts or uncles)

Within 14 calendar days of the first day of child care service, the child care provider and the parent must complete applicable Health and Safety Requirements (steps #2 through #6) in order for payment to continue.

STEP #2

At either the Alternative Payment Program or the Resource and Referral Program, the child care provider or the parent should get a **HEALTH AND SAFETY SELF-CERTIFICATION CHECKLIST, a TRUSTLINE APPLICATION** and **FINGERPRINT CARDS.**

STEP #3

The parent and the child care provider go to the home where care will be given and complete the **HEALTH AND SAFETY SELF-CERTIFICATION CHECKLIST.**

STEP #4

Child care provider completes the **TRUSTLINE APPLICATION** and has his/her fingerprints taken.

STEP #5

Parent or child care provider submits the completed **TRUSTLINE APPLICATION** and **FINGERPRINT CARDS** to the Resource and Referral Program. The Resource and Referral Program gives the parent or the child care provider a receipt verifying that the **TRUSTLINE APPLICATION** and **FINGERPRINT CARDS** have been submitted.

STEP #6

Parent or child care provider take to the Alternative Payment Program the **HEALTH AND SAFETY SELF-CERTIFICATION CHECKLIST** plus a copy of the provider's photo identification and verification that the **TRUSTLINE APPLICATION** and **FINGERPRINT CARDS** were given to the Resource and Referral Program.

If the parent and/or the child care provider fails to complete Steps #2 through #6, within the required 14 days, the parent shall be sent a Notice of Action (NOA) stating that their provider is no longer authorized and that payment for that provider shall cease in 14 days unless the Health and Safety requirements are met.

If the provider fails to meet the Health and Safety requirements prior to the date specified in the NOA, the parent will need to select another provider in order to continue to receive subsidized child care and development services.

3. *THE HOME IN WHICH THE CARE IS PROVIDED MUST BE A SAFE AND HEALTHFUL PLACE FOR CHILDREN, <u>BASIC</u> HEALTH AND SAFETY STANDARDS ARE LISTED BELOW. IT IS THE RESPONSIBILITY OF THE PARENT AND THE PROVIDER TO SEE THAT THESE BASIC STANDARDS ARE MET BEFORE CARE BEGINS. Information about health and safety training is available from the local Child Care Resource and Referral Program and other community agencies such as the American Red Cross, Community Colleges, fire departments etc.*

THE PARENT AND THE PROVIDER MUST PUT THEIR INITIALS TO THE LEFT OF EACH STATEMENT TO PROVE THAT THE HOME WHERE CHILD CARE IS PROVIDED MEETS BASIC HEALTH AND SAFETY STANDARDS.

Parent's Initial	*Provider's Initial*	
_____	_____	*Working smoke detectors and fire extinguishers that meet standards set by the State Fire Marshal are available.*
_____	_____	*I understand that as the provider I shall refrain from using corporal punishment.*
_____	_____	*I understand that as the provider I must allow unlimited parental access to the children while in my care.*

(Optional)

_____	_____	*Home, yard and play areas have been checked and are safe for children. Children are protected from dangers such as pools, hot tubs, electrical outlets, stairs, etc.*
_____	_____	*I understand that it is necessary to be able to quickly get to a telephone in case of emergencies, and I have access to emergency telephone numbers.*
_____	_____	*All dangerous or poisonous materials, and medicines are locked up or out of reach.*
_____	_____	*No dangerous or poisonous materials are stored with foods.*
_____	_____	*Weapons and ammunition are out of reach of children.*

4. *LIST ALL OTHER ADULTS LIVING IN THE HOME WHERE CARE IS PROVIDED AND RELATIONSHIP TO PROVIDER.*

*Name*_____ *Relationship*_____

*Name*_____ *Relationship*_____

*Name*_____ *Relationship*_____

*Name*_____ *Relationship*_____

HEALTH AND SAFETY SELF-CERTIFICATION
(NOT APPLICABLE FOR AUNTS; UNCLES AND GRANDPARENTS)

1. *PARENT/GUARDIAN INFORMATION (PLEASE PRINT CLEARLY OR TYPE)*

*Name of Parent/Guardian*_____ *Phone (__)*_____

*Address*_____ *City*_____ *State*__ *Zip*_____

Children in care: *Name* *Birth Date*

_____

_____

_____

_____

2. *PROVIDER INFORMATION*

*Name of Provider*_____ *Relationship to Child(ren)*_____

*Address*_____ *City*_____ *State*__ *Zip*_____

*Phone (__)*_____ *Social Security Number* ____/___/_____
(Earnings subject to IRS Reporting Requirements)

THE STATE OF CALIFORNIA REQUIRES PROVIDERS TO PROVE THEY ARE 18 YEARS OF AGE OR OLDER. A COPY OF PROVIDERS DRIVERS LICENSE OR OTHER PHOTO I.D. MUST BE ATTACHED.

Providers Date of Birth ____/____/____

DESCRIBE YOUR ABILITY TO PROVIDE CARE FOR THE CHILDREN LISTED ABOVE BY COMPLETING THIS STATEMENT. I have the following child care experience and educational qualifications:

_____

_____

_____

CHILD CARE WILL BE PROVIDED IN:

CHECK ONE: *[ ] Child's Home* *[ ] Provider's Home*

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5. *THE PROVIDER IS REQUESTED TO PROVIDE THE ADDRESSES AND TELEPHONE NUMBER OF TWO LOCAL CHARACTER REFERENCES OTHER THAN THE PARENT: These references should be contacted by the parent of children to prove good character and ability to provide child care.*

*Name*_____ *Name*_____

*Address*_____ *Address*_____

*City/State*_____ *City/State*_____

*Phone (___)*_____ *Phone (___)*_____

If you, THE PARENT, choose child care in your home (in-home care), you are the employer and are responsible for social security tax and state worker's compensation insurance. You may also be responsible for unemployment taxes.

PARENT/GUARDIANS are not required to withhold federal or state income taxes from the child care provider's earnings. The PROVIDER IS RESPONSIBLE FOR REPORTING INCOME AND PAYMENT OF ANY FEDERAL OR STATE INCOME TAXES.

FOR MORE INFORMATION ABOUT YOUR RESPONSIBILITIES AS AN EMPLOYER CONTACT YOUR LOCAL CHILD CARE RESOURCE AND REFERRAL PROGRAM.

PROVIDER'S STATEMENT: *All information contained on this form is true and correct to the best of my knowledge. By my signature below I certify that I am free of communicable diseases; am physically and mentally capable of caring for children; that I have evidence that shows that I was tested in the last 12 months and I am free of active infectious tuberculosis; and I will refrain from using corporal punishment. In addition, if care occurs in my home, I certify that my home meets health and safety requirements. I understand that health and safety training information is available from the local Child Care Resource and Referral program and other community agencies. I also understand that the parent(s)/guardian(s) signing below can have access to their children at any time. I understand that I am not an employee of*

_____

(Agency Name)

_____

Signature of Provider *Date*

PARENT'S STATEMENT: *I have interviewed and approved this child care provider. I have read the statements provided on this form and, if provided, have contacted the character references above. If care occurs in my home, I certify by my signature that my home meets health and safety requirements. I further certify that I have seen evidence which shows that the provider caring for my child(ren) was tested in the last 12 months and is free of active infectious tuberculosis; that to the best of my knowledge this provider is free of communicable disease and is physically and mentally capable of caring for children. I understand that this provider must refrain from corporal punishment. I also understand that I can have access to my child(ren) at any time. I am aware that my child care provider can receive health and safety training information from the local Child Care Resource and Referral Program and other community agencies. If child care is in my home, I am aware that I am the employer of this provider and know my responsibilities. I understand it is my responsibility to make sure that the child care provided to my child(ren) and the place where care is provided is safe. I also understand that*

_____

(Agency Name)

did not and will not check the safety of the care provided by this provider to my child(ren) and they did not and will not check to see that the information contained on this form is correct. I take full responsibility for the care provided by this provider to my child(ren).

_____

Signature of Parent/Guardian *Date*

_____

Signature of Parent/Guardian *Date*

Children's Services Division
Rules for Listed Day Care Providers

These are the rules CSD will use to determine if child care providers are eligible for listing. If you have questions about these rules, call the CSD Day Care Unit at 378-3178.

Rule 412-10-535 Applicability and Purpose of Rule

Rules 412-10-535 through 412-10-595 set forth Children's Services Division's requirements for reviewing and, if appropriate, listing day care providers serving one or more children whose care is subsidized by the Adult and Family Services Division through the Integrated Child Care Program under OAR 461-101-010.

Rule 412-10-545 Definitions

(1) *AFS* means the Adult and Family Services Division, or the Administrator or staff of the Division.
(2) *Care Giver* means any person, including the provider, who provides direct care to children in the listed family day care home.
(3) *Day Care* means child care provided during a part of the 24 hours of a day, with or without compensation.
(4) *CSD* means the Children's Services Division, or the Administrator or staff of the Division.
(5) *Day Care Child* means any child, related to the provider or not, for whom the provider has supervisory responsibility in the temporary absence of the parent.
(6) *Family Day Care Provider* means a person who regularly provides child care in the provider's home in space designed or remodeled for living quarters.
(7) *Integrated Child Care Program* includes all AFS child care subsidy programs except JOBS and OFSET.
(8) *Listed Day Care Provider* means a facility or person who has applied for listing under these rules and has been notified of listing by CSD.
(9) *Parent* means the caretaker or person who is responsible for the care, control, or supervision of a child.

Rule 412-10-555 Compliance with State Laws

(1) Certified day care centers shall meet the requirements of OAR 412-10-600 through 412-10-688;
(2) Certified group day care homes shall meet the requirements of OAR 412-10-700 through 412-10-776;
(3) Registered family day care homes shall meet the requirements of OAR 412-10-400 through 412-10-436;
(4) Non-registered family day care providers shall comply with these rules for listed day care providers and with ORS 418.810 which limits the number of children served without a certificate of approval from CSD to:

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(a) A maximum of six day care children of any age in care full time at any one time, AND
(b) Four additional school age day care children, **EXCEPT THAT**:
(c) There shall be no more than ten children under 13 years of age at any one time, including the provider's own children; and

(5) All persons who provide child care in the home of a child shall meet the requirements of OAR 412-10-565, and shall, in addition, meet the requirements of subsections (3), (7) and (8) of 412-10-595.

Rule 412-10-565 The Listed Provider and Other Persons in the Home

(1) The listed provider and any other care giver shall be at least 16 years old and in such physical and mental health as will not adversely affect a child in care.
(2) The provider or a substitute care giver shall supervise the children at all times.
(3) No one shall have access to day care children who has demonstrated behavior which may have a detrimental affect on a child.
(4) Custodial parents of day care children enrolled shall have access to the facility during the hours their child(ren) are in care.
(5) Listing shall be denied if the provider or any resident of the facility has been convicted of or sentenced for child abuse, offenses against persons, sexual offenses, child neglect, felony offenses involving controlled substances, or any other offense bearing a substantial relationship to the welfare of children in care, **UNLESS** the person provides evidence to CSD of changed behavior through successful participation in rehabilitation, training, or counseling.
(6) If the provider or any resident of the facility has been charged with, arrested for, or a warrant is out for any of the crimes listed above, the provider may not operate a listed day care facility until the charge, arrest, or warrant has been resolved.
(7) Listing shall be denied if the provider or a resident of the facility has a founded report of child abuse, child neglect, or failure to protect a child, **UNLESS** the person provides evidence to CSD of changed behavior through successful participation in rehabilitation, training, or counseling.
(8) Any care giver who has reason to believe that a child in care has suffered abuse (physical injury, mental injury, neglect that leads to physical harm, sexual abuse and/or exploitation, or threat of harm) shall report the information to CSD or to a law enforcement agency.

Rule 412-10-575 Record Checks

(1) A criminal record check through the Oregon State Police Law Enforcement Data System (LEDS) shall be done on all persons named on the Child Care Provider Listing form.
(2) If it is learned, in the process of doing a criminal record check, that a warrant is out for any person checked, CSD Central Office will inform the originating law enforcement agency of the address and telephone number of any individual on whom a warrant has been issued.

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(3) A check of CSD's child protective services records shall be done on all persons named on the Child Care Provider Listing form.

Rule 412-10-585
Administration

(1) CSD shall review the Child Care Provider Listing form.
(2) The provider may be asked to supply additional information to enable CSD to determine if listing requirements are met.
(3) In order to determine compliance with requirements for listing, CSD may inspect the premises of the day care facility at any reasonable time.
(4) CSD shall approve providers for listing who meet the requirements described in these rules.
(5) Upon failure to meet requirements or correct deficiencies, CSD may deny or close a listing.
(6) CSD may immediately, and without prior notice, close a listing when, in the opinion of CSD, such action is necessary to protect children from physical or mental abuse or a substantial threat to health or safety.
(7) The provider may reapply for listing when conditions which caused the denial or closure have been corrected.
(8) The provider has the right to appeal any decision to deny or close a listing subject to the provisions of Chapter 183, Oregon Revised Statutes.

Rule 412-10-595
Health and Safety

(1) The facility shall have running water that is safe to drink;
(2) The facility shall have a working smoke detector on each floor level and in any area where children nap;
(3) To protect children in an emergency:
  (a) All floor levels and rooms used by children shall have two usable exits. (A sliding door or window that can be used to evacuate children can be considered a usable exit.); OR
  (b) The provider shall have a plan for evacuating children in an emergency;
(4) Fireplaces, space heaters, wood stoves, stairways, and other hazards shall have barriers to protect children from harm;
(5) Firearms, ammunition, and other dangerous items such as medicine, drugs, cleaning supplies, paints, plastic bags, and poisonous and toxic materials shall be kept in a secure place out of children's reach;
(6) The building, grounds, toys, equipment, and furniture shall be maintained in a clean, sanitary, and hazard-free condition;
(7) The provider shall inform parents of the need to obtain immunizations for their children; and
(8) The provider shall take steps to protect children from the spread of infectious diseases.

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Form must be returned to:

_____ By _____

Agency Name and Address | Date | Name of Contact Person in Agency

Non-Registered Home Checklist

Items a - c are completed by worker:

a. Name of Parent or Responsible Adult: _____

b. Case Number: _____ Address: _____

c. Parent's Telephone Number: _____

Items 1 - 29 are completed by provider and parent:

1. Provider's Name: _____ DOB: _____

Location Address: _____

County: _____

Directions to the home: _____

_____

_____

2. Telephone Number: _____

The parent and provider must check an answer for each of the following questions:

		Parent		Provider	
		Yes	No	Yes	No
3.	Does the provider have a completed and signed health and emergency form on file for each child? (Refer to attached form.)	❑	❑	❑	❑
4.	Has the type of discipline to be used with each child been discussed and agreed upon? *NOTE: Corporal punishment, such as spanking, is not allowable unless the provider is the child's grandparent, aunt or uncle, or a religious sponsored home.*	❑	❑	❑	❑
5.	If corporal punishment will be used, such as spanking, has the parent signed a statement giving permission for the provider to use this type of punishment? ❑ Does not apply	❑	❑	❑	❑
6.	Are all areas used by the children, indoors and outdoors, kept clean and free of hazards? (Examples of hazards include, but are not limited to, cleaning products, medications, gasoline, abandoned cars and other equipment.)	❑	❑	❑	❑

		Parent		Provider	
		Yes	No	Yes	No
7.	Is garbage kept in waterproof containers with tight fitting lids, both indoors and outdoors?	❑	❑	❑	❑
8.	Are first aid supplies on hand?	❑	❑	❑	❑
9.	Are first aid supplies kept out of the reach of children?	❑	❑	❑	❑
10.	Is there a working telephone in the home?	❑	❑	❑	❑
	If no, please indicate where the nearest phone is located. Please describe how you will call for assistance if that phone is not available. For example, if you plan to use a neighbor's telephone but the neighbor is not at home, is another phone available?				
11.	Will the provider be driving the children in her car or any other vehicle? If yes, the provider must comply with all applicable state and federal laws regarding the transportation of passengers.	❑	❑	❑	❑
	If yes, does the provider have a valid driver's license?	❑	❑	❑	❑
12.	If the provider will be transporting the children, will children under the age of 3 be restrained in an approved child safety seat?	❑	❑	❑	❑
13.	Will children ages 3 and older be restrained by a seat belt when provider is transporting the children?	❑	❑	❑	❑
14.	Is the toileting and handwashing facility used by the provider and children kept clean?	❑	❑	❑	❑
	Are soap and clean towels available for each child?	❑	❑	❑	❑
15.	Is there an area that is used only for changing diapers that is easily disinfected? ❑ Does not apply	❑	❑	❑	❑
16.	Are soiled diapers kept in a covered, leak-proof container which is emptied and cleaned often, a minimum of twice per week? ❑ Does not apply	❑	❑	❑	❑
17.	Does the provider wash her hands after each visit to the toilet and after changing each child's diaper?	❑	❑	❑	❑
18.	Is the provider physically and mentally able to care for children?	❑	❑	❑	❑
19.	Does the provider have a copy of the completed health-questionnaire, form # DFS-0376, on file? (Refer to attached form.)	❑	❑	❑	❑
20.	Has the provider had a TB test within the past 24 months which indicates that the provider is free of active tuberculosis?	❑	❑	❑	❑
21.	Does the provider serve nutritious meals and snacks appropriate in the amount and type of foods served for ages of children in care?	❑	❑	❑	❑
22.	Do the children go outside to play daily except in severe weather?	❑	❑	❑	❑
23.	Does the provider's home have an indoor toilet?	❑	❑	❑	❑
	• If not, are sanitary outdoor toilets available?	❑	❑	❑	❑

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		Parent		Provid
		Yes	No	Yes
24.	Is clean drinking water available?	❑	❑	❑
25.	Is the home constructed in a weather tight manner?	❑	❑	❑
26.	Are only fuel burning heaters that are vented to the outside used when children are present? Note: Portable kerosene heaters are not allowed.	❑	❑	❑
27.	Do fuel burning heaters, fireplaces, stoves used for heating and portable electric heaters have securely attached guards? (This means that the guard or screen cannot be overturned by the children and the heater, fireplace or stove is out of reach of the children.)	❑	❑	❑
28.	Is there at least one working battery operated smoke detector in the area where children are kept?	❑	❑	❑
29.	Has the provider successfully completed a basic multi-media first aid course?	❑	❑	❑
	• If yes, date _____			
	• If no, provider must complete course within 3 months of signing this form in order to be approved as a child care provider.			
30.	To be answered by the provider only: • Have you ever been investigated for child abuse or neglect? If yes, name of county where investigation occurred. _____			❑
	• If you have been investigated for child abuse or neglect and the complaint was found to be true, you may not be approved as a child care provider.			

By signing below, I am indicating that I have provided true and accurate information regarding the requirements my child's provider must meet.

_____
Parent/Responsible Adult's Signature — Date

By signing below, I am stating that I have provided true and accurate information. I understand that in orc to participate in the Subsidized Care Program, I must comply with these requirements and that the provisi of false information may result in the denial or termination of approval. In addition, I understand that I ha the right to request a hearing as explained on the back of this form if I disagree with the agency's decisic

_____
Provider's Signature — Date

For Agency Use Only:

Action Taken: ❑ Approved _____ Date ❑ Denied _____ Date

Reason for denial described below.

❑ Temporary approval until _____ on the condition that the requirements described below are m
❑ Approved to provide transportation ❑ Yes ❑ No

_____

_____

_____

_____ _____
Name of Agency Representative — Telephone Number

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Information for the Non-Registered Home Provider

I. How to get a Fair Hearing

If you wish to request a fair hearing, you must contact the county department of social services within sixty (60) da after this letter was mailed. A hearing will be scheduled for you with an official of the county department of social service If you are dissatisfied with the decision made at that hearing, you may have a hearing with an official from the Sta Department of Human Resources.

At either of these hearings, you may have someone such a as a relative or friend represent you. You may have attorney represent you, but you must pay for his services yourself, unless free legal services are available in yc community. If you are interested in free legal services, contact the agency contact person.

If you have been denied approval or terminated as a subsidized care provider, you must contact the county departm of social services within 60 days after this letter was sent if you wish to request a fair hearing.

If you have any questions or want further information, please contact the agency contact person as soon as possib

II. Completion of Required Forms

In order to receive and maintain approval as a nonregistered home provider, you must complete the attached Hea Questionnaire for Child Day Care Home Providers (Form No. DFS-0376). In addition, the parent(s) of the child/ren your care must complete the Medication Consent Form (DFS-0378) and the Child's Health and Emergency Informati (DFS-0377) which are also attached. The completed forms must be kept on file in your home as long as you are providir child day care services.

III. Monitoring and Investigating Complaints

If you are approved as a non-registered home provider, and a complaint is filed about your home, a representative frc the Department of Human Resources will contact you or visit your home to talk with you about the complaint. In additic a visit may be made to determine if you are complying with the requirements described in the checklist. The perso visiting your home may be from the local department of Social Services or from the Division of Child Developmen

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HEALTH QUESTIONNAIRE
FOR
CHILD DAY CARE HOME PROVIDERS

(To be completed every two years)

In order to protect both the day care home operator and the children receiving care in the home there must be on file a health questionnaire which gives an assessment of the caregiver's medical condition.

NAME _____
Last First Middle

HOME ADDRESS _____

TELEPHONE NUMBER _____

HEALTH STATUS

1. I am in excellent mental and physical health and am free of communicable disease. (If not, please explain) _____

2. I take the following medications regularly (please explain) _____

This health questionnaire is accurate to the best of my knowledge. I will let my Child Care Consultant know if I develop any health problems and can no longer care for children.

Signature _____ Date _____

10 NCAC 3U .0701C
G.S. 110-91(1)

To be completed by physician or registered nurse

Evidence of required tuberculin test:

Type of test _____ Date given _____ Results _____

_____
Signature of Physician or Registered Nurse

_____
Address

_____
Phone Number

* **All substitute caregivers, whether paid or volunteer, must comply with the health standards for child day care home providers.**

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Child's Health and Emergency Information for Day Care Homes

(To be completed by the child's parent or guardian)

Information on Child

Child's Name _____ Name Called _____ Birthdate _____

Address _____ Home Phone _____

Parent/Guardian's Name _____ Parent/Guardian's Name _____

Home Address _____ Home Address _____

Home Phone _____ Home Phone _____

Workplace _____ Workplace _____

Work Phone _____ Work Phone _____

Person(s) responsible for pickup and delivery _____

_____

Other persons allowed to pick up child from day care home _____

_____

In case of emergency when parent cannot be reached, please notify:

(1) Name _____ Phone _____

Address _____ Relationship _____

(2) Name _____ Phone _____

Address _____ Relationship _____

(3) Name _____ Phone _____

Address _____ Relationship _____

Please give specific instructions if your child needs special assistance, equipment, or materials to participate in activities.

_____

_____

List any allergies your child may have: _____

_____

What are your child's favorite toys, games and food? _____

_____

Other important information about your child: _____

Immunization History

The parent must enter the date immunization was received in the space below or attach a copy of the immunization records.

VACCINE	#1	#2	#3	#4	#5
*DTP/DT (circle which)					
*Polio					
**Hib					
*MMR (combined doses)					
Measles (single dose)					
Mumps (single dose)					
Rubella (single dose)					
OTHER					

* Required by State law.

** Required by State law for children born on or after 10/1/91.

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Illnesses

Check the following illnesses that your child has had.

- ❑ Mumps
- ❑ Chicken Pox
- ❑ German Measles
- ❑ Red Measles
- ❑ Rheumatic Fever

Check recurring problems that your child may have.

- ❑ Bronchitis
- ❑ Asthma
- ❑ Ear Infections
- ❑ Croup
- ❑ Strep Throat
- ❑ Eczema

Other Illnesses _____

_____

Authorization for Emergency Medical Care

In case of accident or illness requiring medical attention, the undersigned authorize _____ (day care provider) to call a health care provider or to take my child _____ (child's name) to the nearest hospital or doctor.

The health care provider to call is:	**My hospital preference is:**
name _____	name _____
address _____	address _____
telephone number _____	telephone number _____

and it is understood that if possible, his services will be obtained. If neither the parents nor preferred health care provider can be contacted, the day care provider is authorized to contact another health care provider. It is also understood that this agreement covers only those situations which, in the best judgement of the day care provider, are true emergencies.
I agree to be responsible for the cost of such emergency medical care.

Parent(s)/Guardian(s) _____ Date _____

_____ Date _____

This section required only for parents with children in a home which has been issued a registration certificate by the Division of Child Development.

The notarization below applies only to the above authorization for emergency medical care.

North Carolina

_____ County

I, _____, a Notary Public for said County and State, do hereby certify that _____

_____ personally appeared before me this day and acknowledged the due execution of the foregoing authorization.

Witness my hand and official seal, this the _____ day of _____, 19 ____

_____

Notary Public

(Official Seal)

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Permission to Administer Medication

[X3) 015[
G.S. 110-
91(1)(2)(9)
10 NCAC3U 0803
Rev. 8/92

Child's Name _____ Refrigerate ☐

Name of Medication _____

Dosage _____

Times to be Given _____

Dates to be Given _____

Parent's Signature _____ Date _____

	Monday	Tuesday	Wednesday	Thursday	Friday
Date					
Time					
By					
Initial					

Permission to Administer Medication

[X3) 015[
G.S. 110-
91(1)(2)(9)
10 NCAC3U 0803
Rev. 8/92

Child's Name _____ Refrigerate ☐

Name of Medication _____

Dosage _____

Times to be Given _____

Dates to be Given _____

Parent's Signature _____ Date _____

	Monday	Tuesday	Wednesday	Thursday	Friday
Date					
Time					
By					
Initial					

Permission to Administer Medication

[X3) 015[
G.S. 110-
91(1)(2)(9)
10 NCAC3U 0803
Rev. 8/92

Child's Name _____ Refrigerate ☐

Name of Medication _____

Dosage _____

Times to be Given _____

Dates to be Given _____

Parent's Signature _____ Date _____

	Monday	Tuesday	Wednesday	Thursday	Friday
Date					
Time					
By					
Initial					

Distributed by the Division of Child Development, Department of Human Resources

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APPENDIX C ILLINOIS

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

REQUEST FOR CHILD CARE SERVICE
AND
REGISTRATION

The request for child care services must be completed in full prior to approval for payment. Follow the instructions provided. There are three (3) parts to this packet.

PART I:	To be completed by the parent. Follow the instructions provided. Be sure to submit paystubs if you are employed.
PART II:	To be completed and signed by both parent and provider. (A separate one for each provider)
PART III:	To be completed and signed by both parent(s) and provider.

Part I and II shall be completed for all types of care.

Part III shall be completed ONLY if the type of care is legally exempt from licensure.

Return ALL forms to the office listed below:

DPA/DCFS Stamp

Provider's name and address will be given to the local Resource and Referral agency for the purpose of notification of training activities and other services.

FOR OFFICE USE ONLY

Service Start Date _____ *Request for Service Date* _____

_____ _____

Site Contractor/DPA/DCFS Signatures Date

NOTICE--Completion of this form is required in order for this agency to carry out its obligation under Illinois Revised Statutes: Chapter 23, Section 5001 et seq. This form approved by Forms Management Center.

DCFS is an equal opportunity employer, and prohibits unlawful discrimination in all of its programs and/or services.

CFS 2000
IL 418-0467
10-91

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Part I: Family Information

A. "Family" means the applicant, applicant's spouse (if any), the natural or adopted children, other persons related by blood or law and living in the same household. Persons shall be counted in the family size if they are dependent upon the family income for more than 50% of their support. Complete the following:

	LAST NAME FIRST NAME M.I.	SOCIAL SECURITY NUMBER	DATE OF BIRTH	RELATIONSHIP
	APPLICANT			
1.		– –	– –	HOW IS THIS PERSON RELATED TO YOU?
2.		– –	– –	
3.		– –	– –	
4.		– –	– –	
5.		– –	– –	
6.		– –	– –	
7.		– –	– –	
8.		– –	– –	

If additional space is required, enter names of additional household members on another form and attach.

B. List your current address

Street	City		Zip
		IL	

C. Telephone Numbers

Home	(area code) –
School	(area code) –
Work	(area code) –

D Public Assistance Status - Enter the Name and Public Aid Case Identification Number if you or any household member are receiving or have received AFDC in the past 12 months.

Last Name	First Name	M.I.
Public Aid Case ID Number		

E. List and provide proof of all income being received by any person listed in section A (award letter(s),copy of check stub(s),etc).

Name (last name, first name, m.i.)	type of income(employment, government benefits, etc...)	gross amount (before any deductions)	how often received

F. Check the box(es) that indicate why you need child care services.

☐ Are you Employed ☐ In Training/Education ☐ Other

If employed, enter employer's name and address, if training/education, enter name and address of school/institution, or if other, explain.

_____

_____

7-day Calendar

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Hours of School							
Hours of Work							

Complete for each day of school and/or work hours.

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ID:1

Part II: Child Care Arrangement

A. Please List Each Child Receiving Child Care From the Provider Listed Below.

Child's Name (last,first)			
Number of days of care per week			
Number of hours of care per day			
Enter hours the child will be cared for daily	from am/pm to am/pm	from am/pm to am/pm	from am/pm to am/pm
How much will the provider charge	$	$	$
Indicate how the provider will charge	☐ hourly ☐ daily ☐ weekly ☐ monthly	☐ hourly ☐ daily ☐ weekly ☐ monthly	☐ hourly ☐ daily ☐ weekly ☐ monthly

If there is more than one provider, please complete additional copies of Part II and attach.

B. Child Care Provider Information (To be completed and signed by Provider)

Facility Name: _____ FEIN #: _____

Provider Name: _____ Social Security #: _____

Address: _____ Phone: ( )
street city state zip

Legal Care Arrangements (Check the Appropriate Box)

NOTE: You must be at least 18 years of age to be approved to provide child care services. Parents may not be paid to provide child care for their own children.

☐ Licensed Day Care Center - DCFS License Number _____

☐ Day Care Center Exempt From Licensing

☐ Licensed Day Care Home - DCFS License Number _____
No more than 12 unrelated children under the age of 13 may be cared for, including the provider's own children.

☐ Licensed Group Day Care Home - DCFS License Number _____
No more than 16 unrelated children under the age of 13 my be cared for, including the provider's own children.

☐ Day Care Home Exempt From Licensing No more than three unrelated children under the age of 13 may be cared for, including the provider's own children.

☐ Relative Care provided in the home of a relative.

☐ Relative Care provided in the home of the child.

☐ Non-Relative Care provided in the home of the child.

I hereby certify to the best of my knowledge and belief, the information provided is true, correct, and complete. I understand that the information provided will be disclosed only for administration purposes and that I may be asked to verify the information.

_____ _____
child care provider's signature date

I hereby certify to the best of my knowledge and belief, the information provided is true, correct, and complete. I understand that the information provided will be disclosed only for administration purposes and that I may be asked to verify the information I have provided. I understand that I have the right to appeal and to have a fair hearing of a grievance.

_____ _____
applicant's signature date

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This form must be completed ONLY by those facilities/homes that are legally exempt from licensure. If a facility/home is licensed through DCFS, certification requirements are met through the licensing process.

A. Provider Certification

After each of the following statements have been read, place an "X" in the box.

The provider certifies that:

- ☐ **Parents will have unrestricted access to their children at all times.**
- ☐ **All state and local fire, health, and safety codes have been followed.**
- ☐ **I will have a current TB skin test and a physical examination documented and on file in the facility/home within 90 days of my signing this form.**
- ☐ **All cleaning agents, poisons, and other hazardous materials are stored in an area inaccessible to the child(ren).**
- ☐ **Firearms and ammunition are in a locked cabinet or locked storage at all times.**
- ☐ **First aid supplies are readily available.**
- ☐ **There will be no corporal punishment or spanking.**
- ☐ **The children will be provided with developmentally appropriate play activities.**
- ☐ **The children will be supervised (indoors and outdoors) at all times.**
- ☐ **The children will be given nutritional meals/snacks.**
- ☐ **I have not been a perpetrator of child abuse or neglect in the past five(5) years or a perpetrator of sexual molestation or sexual exploitation in the past twenty(20) years or as otherwise set forth in 89th Illinois Administrative Code Part 431. I authorize the Department to check the Child Abuse and Neglect Tracking System (CANTS) to confirm this information.**

The Department reserves the right to request proof of all information in this document.

_____ _____

Provider Signature Date

B. Parent Certification

After each of the following statements have been read, place an "X" in the box.

The parent certifies that:

- ☐ **The child(ren) is current on all immunizations and verification is on file with the provider.**
- ☐ **A review of the facility/home has been completed and I agree that it is a safe environment.**
- ☐ **Written notification has been given to the provider listing anyone other than myself authorized to pick up the child(ren).**
- ☐ **An emergency phone number, written consent for medical care and for dispensing prescription medication has been given to the provider.**
- ☐ **The name of the family physician is on file with the provider.**
- ☐ **The information provided on this document is true, complete, and correct.**
- ☐ **I am reponsible for the service provided to my child(ren).**
- ☐ **I will notify the Department of any change in child care arrangements.**

_____ _____

Parent/Guardian Signature Date

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APPENDIX C

ILLINOIS

Illinois Department of Public Aid

CHILD CARE APPLICATION

AND

PROVIDER CERTIFICATION

Client Name and Address:

Return to:

Child Care & Development
400 Iles Park Place
Springfield, IL 62718-1004

Public Aid can help you pay for your child care.

To find out if you qualify, you will need to:

Complete the application enclosed as follows:

Complete page 2.

You and your provider must complete and sign page 3. If you use more than one provider, each provider must complete a separate page 3.

You and your provider will need to complete and sign page 4 **ONLY** if your provider is:

- Child Care Home exempt from Licensing
- A Relative
- A Non-Relative

Mail the completed application to the return address above.

If your child care provider is not one of the legal child care arrangements listed on page 3 or if your provider is not willing to be paid by the Department directly, contact your Child Care Resource and Referral (CCR&R) agency. They will help you find a new provider. We have enclosed a directory listing the CCR&R agency that serves your area.

You and your provider will be notified within 30 days of when we receive your completed application. If you qualify, we will mail your provider a billing form for each month as long as you remain eligible.

The Department reserves the right to request proof of all information in this document.

Form approved by the Forms Management Center.

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APPLICANT INFORMATION

LAST NAME	FIRST NAME	M.I.	DATE OF BIRTH
SOC. SEC. NUMBER			MARITAL STATUS
STREET			COUNTY
CITY		ZIP CODE	HOME TELEPHONE
	IL		

List all income (before any deductions) received by applicant.

TYPE OF INCOME*	AMOUNT	HOW OFTEN

If you work, list your employment information:

EMPLOYER/COMPANY NAME		WORK TELEPHONE
STREET		
CITY	STATE	ZIP CODE

If you are attending training, list the school information:

SCHOOL/INSTITUTION NAME		SCHOOL TELEPHONE
STREET		
CITY	STATE	ZIP CODE

IF YOU ARE RECEIVING OR HAVE RECEIVED AFDC IN THE PAST 12 MONTHS	PUBLIC AID CASE NO.

List the hours you attend work and/or training (from – to):

		MON	TUE	WED	THU	FRI	SAT	SUN
HOURS AT WORK	FROM							
	TO							
HOURS AT SCHOOL	FROM							
	TO							

*Types of income include: wages, dividends, interest, rental income, royalties, pensions, annuities, alimony, child support, on-going monthly adoption assistance payments from DCFS, unemployment compensation, worker's compensation, public assistance payments, welfare payments, social security payments for all family members, survivor's benefits, permanent disability payments, and regular retirement benefits from the federal government.

Briefly explain why you need child care services:

"Family" means one applicant, applicant's spouse (if any), the natural or adopted children, other persons related by blood or law living in the same household. Persons shall be counted in the family size if they are dependent upon the family income for more than 50% of their support. Complete the following: (If additional space is needed, enter names of additional household members on another form and attach).

CHILDREN INFORMATION

LAST NAME	FIRST NAME	M.I.	DATE OF BIRTH	SOC. SEC. NUMBER	REALTIONSHIP TO APPLICANT

ADDITIONAL FAMILY MEMBER INFORMATION

LAST NAME	FIRST NAME	M.I.	SOC. SEC. NUMBER
REALTIONSHIP TO APPLICANT	PUBLIC AID CASE NO. (IF APPLICABLE)		DATE OF BIRTH
LAST NAME	FIRST NAME	M.I.	SOC. SEC. NUMBER
REALTIONSHIP TO APPLICANT	PUBLIC AID CASE NO. (IF APPLICABLE)		DATE OF BIRTH
LAST NAME	FIRST NAME	M.I.	SOC. SEC. NUMBER
REALTIONSHIP TO APPLICANT	PUBLIC AID CASE NO. (IF APPLICABLE)		DATE OF BIRTH

List all income (before any deductions) received by each additional family member and provide proof (award letter(s), copy of check stub(s), ect.).

TYPE OF INCOME	AMOUNT	HOW OFTEN

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PROVIDER INFORMATION (To be completed by the Provider)

FACILITY NAME	FEIN
PROVIDER NAME	SOC. SEC. NUMBER
TELEPHONE	TELEPHONE

Provider's name and address will be given to the local Resource and Referral agency for the purpose of notification of training activities and other services.

Mailing Address:

STREET		
CITY	STATE	ZIP CODE

Location address (if different from mailing address):

STREET		
CITY	STATE	ZIP CODE

Legal Care Arrangements (Check the appropriate box):
NOTE: You must be at least 18 years of age to be approved to provide child care services. Parents may not be paid to provide child care for their own children.

☐ **01 – Licensed Day Care Center ***

* **DCFS License Number:**_____
License Capacity:_____
License Expiration Date:_____

☐ **02 – Day Care Center exempt from licensing ***

☐ **03 – Licensed Day Care Home ***
No more than 12 unrelated children under the age of 12 may be cared for, including the provider's own children.

☐ **04 – Licensed Group Day Care Home ***
No more than 16 unrelated children under the age of 12 may be cared for, including the provider's own children.

☐ **05 – Day Care Home exempt from licensing**
No more than 3 unrelated children under the age of 12 may be cared for, including the provider's own children.

☐ **06 – Relative**
Care provided in the home of a relative.

☐ **07 – Relative**
Care provided in the home of the child. All children under age of 12 related to the provider.

☐ **08 – Non–relative**
Care provided in the home of the child.

☐ **09 – Child Care Agency**

I hereby certify to the best of my knowledge and belief, the information provided is true, correct, and complete. I understand that the information provided will be disclosed only for administration purposes and that I may be asked to verify the information. I also certify that the rate(s) charged to the State of Illinois do not exceed those charged to the general public for similar services and do not exceed the maximum allowed by the State. Provider completion mandatory, Ill. Rev. Stat., Ch. 23, P.A. Code, penalty non–payment.

Child Care Provider Signature:_____ Date:_____

CHILD CARE ARRANGEMENT (To be complete and signed by the applicant)

List only the children that will be cared for by the provider listed above. If more than one provider will be used for child care, complete additional copies of this form for each provider and attach.

CHILD'S NAME (FIRST,LAST)	DAILY HOURS THE CHILD WILL BE CARED FOR (FROM–TO)							PROVIDER CHARGE	PER (HOUR/DAY/ WEEK/MONTH)
	MON	TUE	WED	THU	FRI	SAT	SUN		
	From:								
	To:								
	From:								
	To:								
	From:								
	To:								
	From:								
	To:								

I hereby certify to the best of my knowledge and belief, the information provided is true, correct, and complete. I understand that the information provided will be disclosed only for administration purposes and that I may be asked to verify the information I have provided. I understand that I have the right to appeal and to have a fair hearing of a grievance.

Applicant's Signature:_____ Date:_____

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CERTIFICATION STATEMENTS

This section of the form must be completed ONLY by those facilities/homes that are legally exempt from licensure. If a f. is licensed through DCFS, certification requirements are met through the licensing process.

Provider Certification

After each of the following statements have been read, the provider certifies that:

- [X] Parents will have unrestricted access to their children at all times.
- [X] All state and local fire, health, and safety codes have been followed.
- [X] All child care providers/staff will have a current TB skin test and a physical examination documented and on file in the facility/home within 90 days of my signing this form. (Required by Federal Law)
- [X] All cleaning agents, poisons, and other hazardous materials are stored in an area inaccessible to the child(ren).
- [X] There are no firearms or ammunition in the home OR any firearms and ammunition in the home are in a locked cabinet or locked storage at all times.
- [X] First aid supplies are readily available.
- [X] There will be no corporal punishment.
- [X] The children will be provided with developmentally appropriate play activities.
- [X] The children will be supervised (indoors and outdoors) at all times.
- [X] The children will be given nutritional meals/snacks.
- [X] I have not been responsible for the abuse or neglect of children in the past five(5) years or been responsible for acts of sexual molestation or sexual exploitation of children in the past twenty(20) years or as otherwise set forth in 89th Illinois Administrative Code Part 431. I authorize the Department to check the Child Abuse and Neglect Tracking System (CANTS) to confirm this information.

I certify that all of the above statements are true.

Child Care Provider's Signature:_____ Date:_____

Parent/Guardian Certification

After each of the following statements have been read, the parent/guardian certifies that:

- [X] The child(ren) is current on all immunizations and verification is on file with the provider.
- [X] A review of the facility/home has been completed and I agree that it is a safe environment.
- [X] I have given written notification to the provider IF I want anyone other than myself to pick up the child(ren).
- [X] An emergency phone number, written consent for medical care and for dispensing prescription medication has been given to the provider.
- [X] The name of the family physician is on file with the provider.
- [X] I am reponsible for the service provided to my child(ren).
- [X] I will report any change in child care arrangements within 10 days.

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I certify that all of the above statements are true.

Parent/Guardian's Signature:_____ Date:_____

APPENDIX C
NEW JERSEY

New Jersey Division of Economic Assistance DHS CC:8 (Rev 10/91)

SELF-ARRANGED CARE - HOME INSPECTION & INTERVIEW

FOR OFFICE USE ONLY:	Date:
APPROVED:	DENIED:
Purpose:	
REACH/JOBS	VOUCHER/CERTIFICATE

Agency _____ Evaluator _____ Date of Visit ☐☐☐

Provider _____ Soc Secu # ___-___-____ Phone _____

Address _____ City _____ ZIP _____ County _____

Participant	Child's Name	Birthdate	Gender (M/F)	Relation of Participant to caregiver (Codes Below)	Case Number
Referred by: For					

(Codes for relationship) [1] Spouse [2] Son/Daughter [3] Brother/Sister
[4] Relatives other than above [5] Friends
[6] Others(specify) _____

Language Spoken in Home _____ Case Manager _____
(N/A if not REACH/JOBS)

PART A. HOME INSPECTION CHECKLIST

PLEASE INSPECT THE HOME AND INDICATE THE COMPLIANCE STATUS USING THESE CODES:

[1] In compliance [2] To be provided by Program, Not in Compliance [3] Not In Compliance

		Comments
Physical Environment		
A. Adequate floor space.....	☐ A	
B. Minimum temperature 65° F.....	☐ B	
C. Surfaces clean, in good repair.....	☐ C	
D. Adequate ventilation.....	☐ D	
E. Warm and cold running water.....	☐ E	
F. Working indoor toilets accessible.....	☐ F	
G. Indoor and outdoor equipment sturdy, safe non-toxic, easy to clean, free of hazards.....	☐ G	
H. Sufficient furniture and equipment for children..	☐ H	

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Comments

I. Working telephone in home
(IF IN COMPLIANCE GO TO BLOCK M)..... ☐ I

If NO telephone in home:

a. Does provider demonstrate ability to purchase telephone? [1] Yes [2] No (GO TO L) ..... ☐ Ia

b. If YES, does she agree to purchase and install a phone in 90 days? [1] Yes [2] No ..... ☐ Ib

c. If NO, is there working phone accessible within 5 minutes all times enrolled children are present? [1] Yes [2] No ..... ☐ Ic

Fire Safety

J. Working smoke detector on every floor..... ☐ J

K. Lockable interior doors can lock from outside ... ☐ K

L. Heating/cooling devices vented, protected by guards, kept clear of combustible materials ..... ☐ L

M. Are there woodburning stoves in the premises? [1] Yes [2] No (GO TO BLOCK R)..... ☐ M

(a).If YES, do they have barriers making them not accessible to children? [1] Yes [2] No... ☐ Ma

N. Are there portable liquid fuel-burning appliances? [1] Yes [2] No (GO TO BLOCK T)..... ☐ N

(a).If YES, are they used when enrolled children are in care? [1] Yes [2] No ..... ☐ Na

O. Stairways, hallways, exits unobstructed..... ☐ O

P. Electrical cords in good condition..... ☐ P

General Safety/Sanitation

Q. Home and furnishings present no hazard..... ☐ Q

R. All toxic substances out of reach..... ☐ R

S. Non-permanent barriers on stairs, ramps, balconies, porches, elevated play areas..... ☐ S

T. Electrical outlets accessible to children are covered..... ☐ T

U. Working flashlight available..... ☐ U

V. Adequate, safe outdoor play area adjacent to or within walking distance of home..... ☐ V

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Comments

W. First aid supplies accessible..... ☐ W

X. Individual towels and washcloths o r disposable towels and washcloths..... ☐ X

Program

Y. Safe toys, play equipment, creative materials for ages, interests, and number of children in care..... ☐ Y

Do these materials in (DD) above encourage:

(a) Dramatic play/language development..... ☐ Ya

(b) Visual/small muscle development..... ☐ Yb

(c) Auditory development..... ☐ Yc

(d) Creative expression..... ☐ Yd

(e) Large muscle development..... ☐ Ye

Rest and Sleep

Z. Daily rest/sleep for each child in clean safe area according to needs..... ☐ Z

AA. Drinking water available ..... ☐ AA

BB. Are there children under 18 months or non-walkers in care? [1]Yes [2]No(GO TO PART B). ☐ BB

(a) If YES,do they sleep in crib, playpen, cot, bed with rails, or floor mat 1" thick? ..... ☐ Ba
[1]Yes [2] No

(b) Are the crib & playpen slats no more than two and three eighths inches apart? ☐ Bb
[1] Yes [2] No

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PART B. INTERVIEW

CC. Account for all other persons who may come in contact with the enrolled children in your care

PLEASE INDICATE ALL OTHER PERSONS (ADULTS & CHILDREN) RESIDING IN THE HOME, WHETHER THEY WILL BE (ARE) AT HOME DURING THE TIME THE ENROLLED CHILDREN ARE IN YOUR CARE, AND THE EXTENT OF CONTACT EACH WILL HAVE WITH THE CHILDREN USING THE CODES BELOW.

Relation of others in home to Caregiver (Col 2)
[1] Spouse
[2] Son/Daughter
[3] Brother/Sister
[4] Relatives other than above
[5] Friends
[6] Others(specify)_____

Gender (Col 3)
[1] Male
[2] Female

At Home During Care (Col 5)
[1] At Home
[2] Not at Home

Extent of Contact (Col 6)
[1] No contact
[2] Some contact

Name	Col 2	Col 3	Birthdate	Col 5	Col 6	Name	Col 2	Col 3	Birthdate	Col 5	Col 6

DD. Are you over 18 years of age? [1] Yes [2] No ☐ DD

EE. How long can you provide the day care? ☐☐ months ☐ weeks

FF. How often can you provide care? [1] Full time [2] Part time ☐ FF

GG. Will you be able to provide care during holidays? [1] Yes [2] No(GO TO MM) ☐ GG

(a) If YES, how often can you provide care? [1] Full time [2] Part time ☐ Ga

HH. Will you be able to provide care during summers? [1] Yes [2] No(GO TO NN) ☐ HH

(a)If YES, how often can you provide care? [1] Full time [2] Part time ☐ Ha

II. Have you ever been convicted of a crime? [1] Yes [2] No ☐ II

If YES, explain:_____

_____

NOTE: EVIDENCE OF CONVICTION OF A CRIME, IN ITSELF, SHALL NOT AUTOMATICALLY PRECLUDE AN INDIVIDUAL FROM SERVING AS A CAREGIVER. SUCH DETERMINATION SHALL BE MADE ON A CASE BY CASE BASIS.

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JJ. Do you have any illness or medical condition that would prevent you from providing child care services? [1] Yes [2] No ☐ JJ

If YES, explain: _____

_____

KK. Have you had other experiences in working with children? [1] Yes [2] No ☐ KK

Describe: _____

_____

LL. What methods of discipline will you use with the children in your care?

1. Set limits
2. Allow time out
3. Redirect Activities
4. Talk to child
5. Other _____

☐ LL

MM. How will you handle medical emergencies if you or children in your care should get sick during the hours child care is being provided? ☐ MM

1. Call parent
2. Call First Aid Squad
3. Take child to doctor
4. Take child to hospital emergency room
5. Other _____

NN. Who, other than the child's parent, will be able to pick-up the child at the end of the day? (Indicate all that apply)

[1] Parent's spouse
[2] Child's sibling
[3] Child's grandparent
[4] Other relative of child
[5] Friend of child/parents
[6] Other (specify) _____

☐ NN

OO. Do you have telephone numbers in order to contact the above person(s)?(IN BLOCK NN) [1] Yes [2] No ☐ OO

PP. What arrangements have been made to provide nutritious meals to the child/children in your care? ☐ PP

[1] All meals by parent
[2] All meals by caregiver
[3] Some meals by caregiver/Some by parent

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PART C. OBSERVATIONS OF THE EVALUATOR

QQ. Describe the applicant's home in relation to assessing their home management skills.

_____

_____

_____

RR. Have you observed any condition or situation that would cause you to deny this application? If yes, explain.

_____

_____

_____

SS. Is this an initial inspection of the home?
[1] Yes [2] No (END OF INTERVIEW, SIGN FORM BELOW). ☐ SS

If YES, what is the dispositon of this application?

Approved____

Denied____ Reason:_____ _____

_____

If APPROVED, has emergency card been provided?
(a) [1] Yes [2] No [3] Not applicable to this program ☐ Sa

Has safety equipment been provided
(b) [1] Yes [2] No [3] Not applicable to this program ☐ Sb

Evaluator's Signature:	Date:

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